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BULGARIA

Committee on Territorial Structure Replaced

90EB0114A Sofia DURZHAVEN VESTNIK in
Bulgarian 15 Sep 89 p 1

[Text]

State Council of the Bulgarian People's Republic

On the basis of Article 96, point 16, of the Constitution of the Bulgarian People's Republic, the State Council of the Bulgarian People's Republic issues the following:

Ukase No 1853 Terminating the Committee for the Territorial and Settlement Structure and Creation of the Committee on Building and Territorial Structure

Article 1. The Committee for Territorial and Settlement Structure of the Council of Ministers is hereby terminated.

Article 2. The Committee for Construction and Territorial Structure of the Council of Ministers is hereby created.

Article 3. The State Council assigns to the Council of Ministers to define the authorities which will undertake the activities related to the terminating of the Committee for Territorial and Settlement Structure and the functions and tasks of the Committee for Construction and Territorial Structure.

The implementation of this Ukase is assigned to the chairman of the Council of Ministers.

Issued in Sofia on 8 September 1989 and sealed with the state seal.

T. Zhivkov, chairman of the State Council of the Bulgarian People's Republic
N. Manolov, secretary of the State Council of the Bulgarian People's Republic.

Glavbolgarstroy Headquarters Transferred From Moscow to Sofia

90EB0114B Sofia DURZHAVEN VESTNIK in
Bulgarian 5 Sep 89 p 1

[Text] Council of Ministers Resolution No 144, Dated 29 August 1989, "On Improving the Organization of the Work on Building Projects on the Territory of the USSR"

Council of Ministers Resolution

1. As of 1 October 1989 transfers the seat of the Glavbolgarstroy Economic Trust from Moscow to Sofia.

Georgi Atanasov, Council of Ministers chairman
Ivan Shpatov, chief secretary of the Council of Ministers

HUNGARY

Churches Seek Return of Real Estate, Involvement in Public Affairs

25000558D Budapest NEPSZABADSAG in Hungarian
16 Dec 89 p 4

[Unattributed article: "Churches Seek Return of Real Estate; They Request Seats in TV and Radio Oversight Committee With an Intent To Improve Morals"]

[Text] According to Prime Minister Miklos Nemeth at yesterday morning's National Religious Affairs Council meeting in Parliament, the government does not make decisions regarding issues that involve churches and religions without hearing their views, and in regard to any matter of significance the government counts on their advice. The Council discussed the possibility of the churches' use of state-owned real estate, the legislative proposal concerning the freedom of the press, and next year's budgetary provisions as they pertain to churches.

Minister Kalman Kulcsar underscored the fact that in the government's view the return of buildings to churches and religious orders needed for their operation is justified. Nevertheless, the requirements posed by churches and religious orders need not be satisfied exclusively by returning the church real estate that was once nationalized; the matter can be settled on new foundations instead. Originally the government requested that churches and religious orders submit the related petitions by 5 January, but the Council felt that this deadline was too short a time to review real property, and therefore the list of claims to be established by churches and religious orders will be completed by the end of January, and claims may be changed until the end of March.

Government members present, including Minister of Culture Ferenc Glatz, agreed with a proposal according to which appropriate conditions should be established so that all religious orders may renew themselves. A promise was made to the effect that by using an appropriate form the government may declare that the nationalization of church real property was accomplished pursuant to law, although that action was inhumane and unjust in many respects.

The Finance Ministry state secretary announced in the course of reporting on next year's budget that in 1990 a standard financing system will be introduced for the support of churches. Churches will have an opportunity to deposit donations received in convertible currency in a foreign exchange account, and to use those funds freely in the form of foreign exchange. A Council of Ministers decree concerning the business management of churches will be developed, as long as Parliament adopts the proposed law concerning the freedom of conscience and religion. This law provides that church income derived from business ventures shall be subject to entrepreneurial profit taxes, however the tax base would be

reduced by amounts spent on education, cultural activities, and for health care and social welfare purposes.

In expressing their views concerning the proposed press law, church leaders stressed that the law contains a preponderance of rights as compared to duties. The law does not contain necessary limitations: Civil rights must not violate the freedom of others, nor can they conflict with the freedom of the community. They called attention to published materials which encourage violent action and said that such materials are disseminated loosely, without barriers, exerting the wrong influence on youth. They said that in the absence of accepted moral standards the proposed law must set limitations regarding the method by which these publications are disseminated. They also requested seats in the committee that oversees television and radio.

Victims of Stalinism Memorialized in Soviet Border Town

*25000557A Budapest NEPSZABADSAG in Hungarian
9 Dec 89 p 2*

[Text] A memorial for the Hungarian nationality victims of Stalin's reprisals was unveiled Friday in the Hungarian-Soviet border town of Csap. The marble monument erected at the initiative of the Lower Carpathian Hungarian Cultural Society was financed by local residents. It lists the names of all Hungarians who did not return from Stalin's camps. After 1944 Hungarian men of Lower Carpathia were taken to Siberia for three days of work, according to the original announcement. Many of them never returned. The lower Carpathian county council established a working group to find out about the fate of the Hungarian nationality victims of the reprisals.

POLAND

PZPR Factions Present Political Programs

Party of the Socialist Left

*90EP0197A Warsaw ZAGADNIENIA I MATERIALY
in Polish No 44, 29 Oct 89 pp 3-4*

[Ideological declaration of the Polish Party of the Socialist Left, prepared by the Krakow Primary Party Organization; dated 12 October 1989: "For a Democratic Turnabout of the Left"]

[Text] We, representatives of the Polish Left, have gathered to call into life its new party—the Polish Party of the Socialist Left.

The dispute between the socialist and capitalist models of social development is not over yet. The fiasco of real socialism is the fiasco of an authoritarian, imported model, from the outset alien to the Polish leftist tradition.

Our shining ideals are those of democratic socialism—equality, justice and fraternity, liberty and human solidarity. We demand social justice and respect for honest work. The Poland of tomorrow can and should be a socialist Poland, a Poland of working people. We desire a prosperous Poland with safe boundaries, a Poland in which everyone will be assured of not only bread and housing but also the possibility of benefiting from the achievements of modern civilization in which human rights will continually broaden. We are struggling for such a Poland. We believe that the fundamental theses of Leninism, namely, the theory of dictatorship of the proletariat, the principle of democratic centralism, and proletarian internationalism, have ceased to be topical.

We represent various orientations of the Polish Left: among us there are members of the PZPR, representatives of orientations of the democratic and Christian Left, socialists, communists, and social democrats. We are united by a common goal. The goal of establishing a leftist party capable of gaining broad social support and operating within a democratic and pluralist system, a party of an unequivocally socialist character.

We reject the one-party principle in all of its varieties. We oppose the striving for monopoly on political activities, for speaking in behalf of the "entire" nation, the "entire" society, "all" Poles.

We base ourselves on the traditions of all the orientations of the Polish worker movement. We are above ancient divisions. To us they have ceased to be topical.

We reject the practices of Stalinism, which resulted in the collapse and degeneration of the socialist system, and in totally unjustified sacrifices. It must not be forgotten that capitalism, too, in its most degenerate, fascist form, has caused huge misfortunes to the world. We desire that all this should never repeat itself.

Our aim is to create a system assuring social justice to the greatest possible extent.

We are a sovereign party. We obey no one's dictates. We shall guide ourselves solely by Polish interests. The independence and sovereignty of Poland is to us the highest good. We are linked by ties of sympathy and understanding with socialists and social democrats, communists and radicals, ecological movements, and the new and unconventional Left throughout the world.

We desire to cooperate with the strongest international organization associating the forces of the Left, namely, the Socialist International, for the good of Poland, for the unification of Europe, for safeguarding peace in the world.

The Polish Party of the Socialist Left appeals for cooperation to all those forces which prize the idea of assuring Poland of a progressive path of development and admitting to their ranks all those to whom the cause of the Polish Left remains cherished. We appeal to the other

leftist forces to cease their mutual political squabbles and rally under a common red banner coated with the blood of our predecessors.

Long live democratic socialism! Long live liberty, equality, and fraternity! Long live independence and a just Poland!

THE POLISH PARTY OF THE SOCIALIST LEFT
Krakow, 12 October 1989

The Constituent Program Convention of the POP [Basic Party Organizations] Movement has resolved to transmit this draft for discussion by basic party organizations.

Polish Socialist Movement

90EP0197B Warsaw ZAGADNIENIA I MATERIAŁY
in Polish No 44, 29 Oct 89 pp 4-6

[Ideological declaration of the Polish Socialist Movement, prepared by the Lodz discussion club "Jawnosc" [openness or glasnost]; dated September 1989]

[Text] The Polish Socialist Movement grows out of the soil of a critically-minded orientation of the Polish United Worker Party. It is a political reform movement based on the best leftist democratic traditions. We represent the interests of the Polish nation, and principally of people who earn a living by working: the intelligentsia and working. We aspire to translate into reality a just and free civic society.

The present Declaration contains an ensemble of supreme values and goals which we desire to translate into reality for the good of the nation and with its approval, support, and conscious participation. It answers the question of where we are going and who may join us.

The negative experiences of the PZPR and other communist parties warrant drawing the following conclusions:

First, we must adapt the system of society to the traditions and national character of Poles, on intelligently utilizing the achievements of other democratic countries.

Second, the two extreme models, that of totalitarian communism and that of liberal capitalism, must be rejected.

Third, the brutal laws of free market competition must be alleviated by a suitable social policy.

Fourth, any ruling power is susceptible to degeneration and corruption unless effective means of social control over it are on hand.

Fifth, flow of information to the society should be honest and broad, because the strength of the State depends on the awareness of its citizens.

Sixth, no one ideological doctrine may be imposed on the nation; the possibility of free choice and competition among different ideological orientations must be safeguarded.

It is a lasting duty of members of the Polish Socialist Movement to struggle against any social and moral evils, a struggle which they must begin in themselves and in their own communities. It is a most important goal to strive to translate into reality the three fundamental socialist norms: justice, equality, and liberty. Freedom means diversifying wages according to the quantity and quality of labor and the economic situation of workplaces. Equality consists in affording to everyone equal opportunities for growth and advancement, as well as in equality before law. And liberty is a condition in which objectively informed individuals can participate in determining the destinies of the country and of their own communities.

Justice, equality, and liberty—these norms ensue from our acknowledgment of two values as supreme ones: the individual and the natural social group. Man as a conscious, free, and respected individual should be ranked first in economics, politics, and culture. He lives in groups of which the decisively important ones are the family and the nation. The State should facilitate the life of these communities so that their members could live in dignity and morally.

The security and broad development of the nation are contingent on a strong and independent State and a proper attitude toward the fatherland. We share the opinion of the great Polish poet, "The Fatherland is a great and common obligation." From it ensues the necessity of honest labor, respect for property ownership, and, sometimes, sacrifices.

Taught by the experience of the Polish United Worker Party, which has failed to translate into reality many of its plans and predictions, we do not present here any idealistic vision of the future. We merely indicate the road and purpose of our actions. We answer the question of what we are struggling for and where we are going.

Modeling ourselves on our predecessors, namely, the Polish Socialist Party and the Polish Worker Party, we desire to translate into reality our own model of a system of society. It should contain the following elements:

1. An independent and self-governing trade union movement. The organizations creating that movement will make it impossible for the State to ignore current interests of working people and isolate policies and governance from the society.

2. Social self-rule. Poland's system should combine the existence of a strong State with autonomous local self-rule.

3. A multiple-sector economy, meaning the coexistence of state, cooperative, communal, and private sectors, all of which should be afforded equal conditions for growth and competition.

4. Ideological and political pluralism. All humanist orientations should be allowed to operate freely in a State of parliamentary democracy.

5. Civic society. The possibility of free association and participation in determining the fates of one's local community should be an attribute of parliamentary democracy.

We consider the fundamental purpose of social policy to be making individuals and families feel secure. This can be accomplished by guaranteeing work for everyone or assuring decent old age pensions and retirement annuities and, in extreme cases, adequate unemployment benefits. To this end, preferences should be accorded to five important domains:

1. Health service and welfare. The process of the privatization of health care and rise in its cost should be curtailed. The health care system should be streamlined and provided with modern equipment and facilities.

2. Environmental protection. The catastrophic state of our nature requires increasing outlays, tightening regulations, and promoting a nationwide movement to protect waters, earth, and air, which are invaluable national goods.

3. Public transportation. Instead of an excessive growth in the number of privately owned automobiles, priority should be given to developing convenient and low-cost public transit.

4. Education and upbringing. In this field there should be no cutting corners; instead, an adequate system of schools and preschools should be created, the facilities should be updated, and advanced teacher training should be expanded. We are against the privatization of education and for its socialization.

5. Housing and the related services. A fundamental premise for normal family life is that each family should have a dwelling of its own and be provided with an adequate system of services. Another highly important institution is authentic tenant self-government.

The elements proposed above would promote the growth of such interpersonal relations as would orient people toward "living" rather than merely "having" and "accumulating." All Poles, believers and nonbelievers, party members and nonparty members, young and old, can participate in accomplishing this goal.

Lodz, September 1989

Gdansk Delegation Position

90EP0197C Warsaw ZAGADNIENIA I MATERIAŁY
in Polish No 44, 29 Oct 89 pp 6-9

[Position paper presented by the Gdansk delegation to the Central Congress Commission in October 1989]

[Text] 1. The system of exercise of power termed "real socialism" in Poland is undoubtedly reaching its end.

The Polish United Worker Party, which is the basic element of that system, must in this new situation take decisions allowing for not only its own interests but also and above all for the cause of socialism and the destinies of the persons constituting—despite all that divides them—the Polish Left. In accordance with the will of PZPR members, expressed through a party-wide poll, a new party should arise, a party meeting the needs of the present, the challenges of the future, and the aspirations of people with leftist views; both those who at present belong to the PZPR and the non-members who are inclined to link their future to the ideals of socialism. That is why the 11th Congress should pass a resolution to dissolve the PZPR, thereby opening the road toward the exploration of new program and structural solutions and initiating the work on creating a new party.

2. In closing the long and rich history of the Polish United Worker Party, a penetrating and objective assessment of its difficult and tangled experience and of its successes and accomplishments, mistakes, faults, and defeats, should be carried out. It should be done in such a manner that the new party would utilize that experience in its politics so as to give satisfaction to those who deserve it and close this stage of our history without festering insinuations and evasions.

3. In forming the new party care should be taken to attract to it the largest possible number of active and committed PZPR members and people close to us in their views. It should also be borne in mind, however, that the slogan of unity had in the past been exploited as a guise for repeatedly carrying out harmful maneuvers rejecting original views and concepts and eliminating valuable individuals from our ranks.

The warranted concern for the unity of the Left should not adversely affect the program and structural solutions of the new party; hence also, when presenting the basic orientation of the discussion leading to the rise of a new party that would be qualitatively different from the PZPR, allowance should be made for the possibility of the formation of another party constituting a continued and somewhat reformed PZPR and recruiting comrades who espouse more traditional views.

4. Our new party is one of the formations of the Polish socialist Left. Guiding itself by the interests of the nation and State, it should guarantee its readiness to cooperate with other parties of the Left on equal terms and to defend the principle, inscribed in the Decree on Political Parties, of the political autonomy of each party.

It will acknowledge the canon of ideas and program concepts deriving from the European movement of socialist thought as the natural basis for any political agreements within the Polish Left, particularly during periods of electoral campaigns for the parliament.

5. The new party of working people should be united by common goals but not by a homogeneous membership base. Such a party should not guide itself by any "class interest" and it should have no room for group dictatorship, hegemonism, or any privileges. Such a party will have to build a new society rather than antagonize various social groups.

6. The fundamental value of socialism is humanism, and the measure of all undertakings is man, his good and his liberty, rather than the collectives and social classes from which he originates or in which he is situated by occupation or profession. In an era of the rise of new socioeconomic processes accompanying the rescue of the country from the crisis, it is necessary to safeguard a creative, moral, and secure growth of the human personality. In accepting personalism as the ethical ideal of the civic State, the party acknowledges that the supreme criterion of the value of man is the development level of his creative potential and social awareness, as well as a personality shaped by democratic and humanist models.

7. The new party as a continuator of Polish socialist traditions and an element of contemporary European socialism will be a standardbearer of social progress which shall, in determining current economic and political growth as well as growth of awareness, shape the image of the Polish society in the coming decades. This requires even now promoting programs leading to the:

—balancing of conflicts among economic interests in the management of the national economy;

—creation of political systems that are based on the historical growth of the Polish society and at the same time safeguard the preservation of stability of the State and its organization. As a spokesman in behalf of the free competition of different visions for transforming the reality, the party shall support the concept of building a civic society characterized by greater participation of citizens in governance and in the promotion of local and national interests.

8. In constructing its program of action, the new party will have to orient itself in the future toward the coming new social forces, occupational groups, subsectors of industry, branches of science, and growing social movements such as international ecological movements; it will also have to orient itself toward youth, its problems, and its aspirations.

9. One of the first duties of the new party is to establish the origin of Polish socialist thought. This requirement ensues from the necessity of determining our proper and due place in the mainstream of European socialism, as well as from the moral obligation of acknowledging the rightness of the protagonists of socialist humanism.

In going back to the fundamental ideas of the programs of Polish socialists, emphasis should be placed on their supratemporal importance; thereby also the new party will distance itself from many erroneous practices and programs of the PZPR. The reassessments of theory proposed by the socialists of the interwar [1919-1939] period, deeply rooted as they are in the ideological and moral dilemmas of the coeval generation of Poles, should be reintroduced in the public circulation of ideas on complementing them with the values and solutions being created nowadays.

10. The fact that a social movement undertook the task of reforming political life should be considered by the new party as a phenomenon deserving the greatest attention and propagation in the future, even if some circles are pursuing this goal intuitively rather than on the basis of training in theory. If this grassroots reform movement is to meet with adequate support in time, the question of the suitability of the traditional socioeconomic and political theories developed at the PZPR's ideological study centers will have to be resolved.

In the public's view, some theoreticians of the old order are promoting conservative actions; prompted by political caution, they lag behind the challenge of the times. Considering that the theoretical thought of the new party will be largely rooted in Marxist doctrine, it will be a fundamental task to update this doctrine. The interests of our society require that no political or doctrinal considerations impede this task.

11. A major goal of the new party should be to rehabilitate the ideal of the thinking and pragmatic society. In the domain of ideology this will mean a secular State, separation of the church and state, and personal tolerance of all professed views.

12. In supporting the modern dimension of social progress and close economic links with Europe, as well as in restoring a proper place in our program to the ideas of Polish socialism, the party, being aware of historical ties to European humanism and attendant culture, will accept the system of parliamentary democracy as the sole safeguard of these values and of the growth of the civic society. As a consequence, it will defend political pluralism and the program for decentralizing structures of the State, propagate the ideas of local self-government, and favor the concept of depoliticizing the state administration, the military, the judiciary, and the militia.

13. In order to cope with the civilizational and moral challenges of the 21st century, the new party will have to create, in lieu of the rooted ethos of [class] struggle, the ethos of the cooperative, self-organizing society. To surmount the crisis, the new party must be capable of constructive cooperation with other political forces in Poland.

The new party should be open, capable of cooperating, forming occasional ties, and in time also forming more lasting ties, with the leftist groupings which at present

are opposed to us. As regards foreign cooperation, contacts based on equal-partner rights should be maintained with the parties of the socialist countries, in support of the cause of perestroika, and cooperation with the socialist parties of West Europe and the Socialist International should be broadened.

14. In cooperating with broad leftist groupings as well as with unaffiliated individuals having leftist inclinations, the party does not necessarily have to be a mass party. But it must be efficient and effective in action. The party's importance will depend on its potential for external influence rather than on the size of its membership.

15. While it should not be directly, institutionally, involved in the economy and administration, the party should influence them through its members. For this reason, the party's structure cannot duplicate or be part of the structures of governance; it should be a flexible structure ensuing from the goals at hand rather than from some monolithic organizational flowchart. The party's base should be a network of local organizations complemented with branch and workplace chapters, clubs, and other forms of activity.

16. The concept of the civic society is viewed by the party as the cardinal idea of social growth, whose accomplishment would crown the development so far of European humanism and democracy. In developing and propagating this concept the party will support actions intended to promote the idea of local self-rule, which it will acknowledge as the natural domain for the self-fulfillment of civic activism. Regional self-government should be a school of political conduct, a school promoting new leaders and elites whose value will be measured not by political-ideological commitment but by managerial ability.

17. In its economic policy the new party should support equal treatment of all the [state, cooperative, private] sectors harnessed to a system of national economy that would be deideologized and based on criteria of effectiveness and good management. Public participation in this domain should be chiefly based on reconstructing [authentic] cooperatives and communal ownership. Private ownership should predominate in agriculture, services, trade, craft trades, and petty industry. Private initiatives should find an outlet in the establishment of new small and medium industrial plants whose shortage is adversely affecting our economy. On the other hand, attempts to privatize the existing big industry are dangerous. Modern and effective solutions of the capitalist system should be emulated, but not the obsolete and primitive ones dating from the 19th century.

18. In the field of social policy, absolute adherence to the principle of linking an employee's wages to the value of his contribution to generating national wealth and socially useful nonmaterial values is needed. The policy of sham egalitarianism and seeming mentorship, which causes people to become passive and unresourceful and

to feel no responsibility, should be revised. The basis of social policy should be the law of equal career opportunities along with the law of protection against the brutality of the free-market economy toward weak individuals who are incapable of supporting themselves and their families.

19. We are in favor of a socialist party of the social-democratic type. In meeting the aspirations of the Polish society at the end of the 20th century, perceiving the fatal mistakes of the period now ending—fatal to the condition of the State, the economy, and the national community—and in desiring to stress the Polishness of many socialist concepts and their contribution to the accomplishments of Eurosocialism, the party will accept a program for that democratic socialism whose premises serve as the basis of contemporary social-democratic parties.

20. The present state of the program-oriented and organizational differentiation of the socialist Left in Poland, which admittedly is a natural effect of intellectual ferment and the formulation of alternative concepts, will make it possible in time to apply the deliberations of the congress of leftist parties to the practice of political life. The form of the congress should become the arena for presenting the achievements of the theoretical thought and practical experience of leftist parties in Poland.

Party of the Polish Left

90EP0197D Warsaw ZAGADNIENIA I MATERIAŁY
in Polish No 45, 5 Nov 89 pp 3-5

[Proclamation of the Party of the Polish Left, prepared by Dr. Mariusz Gulczynski, member, Central Congress Commission, professor, political systems, Institute for State and Law, Polish Academy of Sciences; dated October 1989, Warsaw]

[Text] Who are we? Whose interests are ours?

We are people who share the responsibility for the survival and growth of life on Earth; all ideals and movements serving to augment the chances for the survival and a life of contentment of man, regardless of race, nationality, or ideology, are close to us.

We are Europeans, common inheritors of traditions of humanism, democracy, Enlightenment, whose growth requires abolishing obsolete enmities and divisions and shaping the conditions for a harmonious coexistence of all nations in the common European home.

We are Poles, a nation with a history that is both splendid and tragic, a community which survives as long as we live and whose improvement in destiny depends on the cooperation of us all.

We are a party of the Polish Left, an association of supporters of the interests of the Poles who earn a living by their labor, a party of people who desire to safeguard the protection of Poles and their opportunities for civilizational advancement.

What cause do we participate in?

The cause of overcoming the total crisis of the system and exploiting the huge opportunity for progress in measure with the contemporary aspirations of Poles and civilizational possibilities.

Two hundred years after the Constitution of 3 May this represents yet another, dramatic attempt of Poles to gain the position of an equal partner among the developed countries. The reason why the previous attempts ended in either failure or half-measures was both the internal class and party conflicts and the hostile actions of other countries. Whether Poles this time can succeed in catching up with the modern world will depend chiefly on their mutual concord and on cooperation with the countries whose destiny is linked to ours.

In this cause, what is the role of the Party of the Polish Left?

First, not to hinder those whom the nation has elected as the main helmsmen of reform.

Second, to help in that process insofar as possible.

Third, to promote a direction of progress that would be favorable to Poles who earn their living by labor rather than to property-owning or governing elites.

What direction of changes are we in favor of? We are in favor of:

—Universal "proprietyization" of Poles with the aid of forms suitable to the requirements of effectiveness and social rationality of management. Hence also, we are in favor of the predominance of individual and family ownership in agriculture and the crafts trades, and of cooperative, communal, and local-government ownership wherever possible, and of state ownership only wherever necessary. We also are in favor of equal competition with privately owned hired-labor workplaces and against the imposition of privatization as the sole or main form of ownership.

—An economy regulated by the state according to social needs and present-day possibilities: we are opposed to both the command-allocation economy and to a surrender to elemental market forces.

—Equal opportunities for the manifestation, development, and utilization of the talents of every individual Pole; we are against division of roles and social positions depending on social origin.

—Orienting the economy toward an optimal adaptation of nature to the needs of the present and future generations of Poles and against the devastation of natural resources and ecological degradation.

—Predominance of the division of material boons according to the quantity and quality of the labor of each person, and against both "uravnilovka" [Russian

term, meaning egalitarianism] and tendencies toward the prosperity of an elite in the sea of social destitution.

—Assuring social welfare for the needy with the aid of specialized services and organizations at their domiciles, and against burdening socialized enterprises with charity obligations and obsolete privileges.

—A pluralist parliamentary democracy in this country, local self-rule, and freedom of association, and against total etatization and regimentation of social life.

—Freedom of speech and of the propagation of ideals and values serving the good of man and humanity, and against privileging and the imposition of any ideology, religion, or world outlook whatsoever.

—The shaping of a socialist formation of society in the course of an evolutionary reform process, on the foundation rather than on the ruins of the experiences of capitalism, and against any repetition of barbaric destruction and negation of anything linked to capitalism, against any dogmatic decreeing of the nature of the system of society and its coercive imposition on the society.

With whom do we desire to form together the Party of the Polish Left?

With anyone who shares the ideals proclaimed here and is ready to promote their fulfillment by democratic means.

Warsaw, October 1989.

Socialist Party of Poland

90EP0197E Warsaw ZAGADNIENIA I MATERIAŁY
in Polish No 45, 5 Nov 89 pp 5-6

[Ideological declaration of the Socialist Party of Poland, drafted by Janusz Malinowski and Witold Grabos, members, Central Congress Commission; dated 25 October 1989]

[Text] I. Poland has not perished yet, even though nowadays, perhaps more than ever, it is tottering, tormented by chaos, destitution, and human misery. This new party of the Polish Left is arising from the soil of rebellion against the catastrophe, lethargy, and hopelessness. It is prompted by the unrestrained aspiration of Poles toward freedom and dignity, equality and justice, and prosperity.

These values remain constant as ideals of the system of society termed socialism, which had been for many years brutally appropriated by the Stalinist formation that arrogated to itself the right to represent the will of the Nation. We condemn Stalinist crimes; we condemn the persons responsible for them.

We reject the dogmas and practices of so-called real socialism. Coercion as the wellspring and method of exercising power is alien to us, and so are the concepts of

the "historic mission" and "dictatorship of the proletariat." We reject the subservience of institutions of the State to one party, as well as the primitively construed collectivism limiting individual liberties, the rights of man, and the sovereignty of the entire nation. We are against the imposition of view in any domain of public life.

We are not capitulating under the burden of the past associations of the word socialism, branded by the mark of Stalinism. We firmly believe that the new party of the Polish Left can restore to socialism its objective value which still remains alive in the hearts and minds of millions of industrious, honest, and noble people.

II. Socialism is the right of every individual to dignity and individuality, to a broad and free personal growth. Socialism is respect for any creative labor and opposition to exploitation of others and to life at the expense of others. Socialism is equality of civil opportunities and rights, absence of restrictions on and privileges for anyone whatsoever and for any reason whatsoever. Under socialism, tolerance is mandatory. The State adheres to ideological neutrality. Freedom of speech and complete openness of public life are assured.

The source of power under socialism can only be the will of the people, as expressed in free, democratic, and proportional elections. This means the operation of the new party of the Polish Left within the framework of parliamentary democracy and the consolidation of the multiparty system.

Socialism is a Constitution based on the principle of sovereignty of the people and tripartite separation of powers, with guarantees of political pluralism and pluralism of property ownership as well as respecting rule of law and civil liberties. Socialism means regional self-rule, worker self-government, free trade unions, and adherence to principles of social justice.

Our party will defend the nascent democracy against the bureaucracy and the supporters of "strong-arm rule." It will oppose any threat of the introduction of a regime which would, whatever its political hue, strangle liberties and freedoms.

III. The traditional economic system has become compromised by its low efficiency, the lack of a relationship between labor and wages, the disregard of the conflict between manufacturing and ecology, and the wastage of human effort and resources.

We desire to apply methods of management that have proved themselves worldwide: a market-oriented economy, forms of property ownership assuring a rational utilization of productive assets, and an effective social policy of the State. The change of forms, the transition to group and private property ownership, must take place under social control and allow for the interests of working people.

Various ways of transforming modes of property ownership are possible: ownership of shares in the workplace by the workforce, cooperative ownership, ownership by local self-governments, and mixed ownership. We perceive an important role here for property ownership by the State Treasury and regional communities. All these modes and forms must be equal under law.

The system should be transformed while at the same time preserving the fundamental social accomplishments. The danger of unemployment must be alleviated by the State, the trade unions, and specialized organizations. We are in favor of eliminating the social disparities injurious to the rural population: the people who feed the Nation deserve dignified working and living conditions.

The State must be responsible for preventing excessive disparities in wealth. We shall fight for a just distribution of the cost of surmounting the crisis. Special care should be extended to the groups of people who are objectively the weakest economically.

IV. The sovereignty of the Polish people is to us the highest good. We shall strive for a lasting peace, disarmament, and simultaneous dissolution of military blocs.

Poland is part of Europe. We desire a common European home inhabited by mutually well-wishing neighbors. We view the growth of rights of man as a cardinal criterion of progress and of the maturity of socialism. Uniting with the world social democracy, we intend to join the Socialist International.

V. In order to accomplish these goals we shall associate all people who support our program, regardless of their philosophies and religious views. Our leaders will emerge through rivalry of views and personalities. They will be politicians and public activists rather than apparatchiks. Our representatives in the parliament and self-governments will participate in defining the goals and tasks of the party and strive to accomplish them in consonance with their personal conscience and possibilities.

We reject democratic centralism, which has supported bureaucracy and strangled initiative. We desire that efficiency of action ensues from unity of beliefs. Differences in views and aspirations will manifest themselves in the form of the rise of factions or program orientations within the party.

We desire to form political alliances. Our partners in the struggle for socialism shall be all social movements, organizations, and initiatives whose interests are convergent with ours.

VI. We are not promising everything to everyone. Any one who does that is lying. We offer our program to those who desire the same thing as we do.

Fracture of Agrarian Unity Decried; ZSL Umbrella Advocated

90EP0141A Warsaw *DZIENNIK LUDOWY* in Polish
5 Oct 89 p 3

[Article by Kazimierz Kozub: "Is It Necessary First To Divide in Order Then To Unite?"]

[Text] After years of formal unity in the peasant movement in Poland, when only one party had a "license" for open activity, a party which various wise men agreed not to call a political party; after a period marked, unfortunately, also by attempts to equate political unity with passive discipline on the part of the rank-and-file, which had always been foreign to the peasant movement—now like mushrooms after a storm, new initiatives to form populist, peasant political parties are springing up all over. If we are to believe the news reports and declarations of various activists, we already have at least eight such parties today. Including the ZSL, which is the only one that has recently reported in a clear manner how many members it has. The others have not given even rough figures.

Bounteousness is usually something at which we rejoice. But in this particular case, there are probably no special reasons for rejoicing. Without mentioning the fact that we really do not know why there are so many of these parties.

The reasons for creating a party are always varied and complex. In the modern world, there is an iron rule: the activists promoting a given initiative, desiring to avoid suspicion that they are pursuing their own ambition, define their premises to a reasonably clear degree, emphasizing with particular force whatever distinguishes their program from other already existing parties or from other parties being formed. Even if the issues are small, they are raised to the level of significant differences.

In Poland, for now, it is only possible to say what joins these initiatives in terms of their programs.

They are connected by their desire to separate themselves from all of the bad practices of past political life, especially from the embraces of a stronger partner. The ZSL effectively initiated this revolt—and that is a fact.

Grand declarations of a desire to improve the situation of the farmers, agriculture, and the entire nation also join the individual initiatives. As far as I can remember, no one has made a declaration to the contrary. Their seriousness can be confirmed only by facts.

Finally, the desire to take up the traditions, the program, and the name of the postwar Polish Peasant Party joins these various initiatives. As regards the names, the issue is simple, although it derives from a conviction that it is enough to call yourself a slender brunette in order to be one and to be popular. Worse, practically no one has spelled out what specifically taking up the ideas and ideals of the Polish Peasant Party should mean, in

particular, today and in the future. The mechanical adoption of the program of the Polish Peasant Party of 40 years ago is emotionally important, especially for the older people associated with the traditions of that party. For the so-called average person, especially the younger ones, it does not mean much. He desires to know primarily whether tomorrow and the day after he will live better and who is capable not only of promising him a better life, but also of reasonably guaranteeing it. In the past, the rural areas especially have heard so many promises that it is difficult to convince those people even with the most lofty assertions that "things will be better."

But what separates these various peasant parties?

A clear dislike of one group of people for another? But that is not a reason to form separate parties! It is simpler to change the people—may it be for the better. The method of electing delegates to the congress will take care of this problem completely.

Does the attitude towards the past also separate these various parties? Everywhere, there is much criticism of the past. The difference lies at most in the fact that while one group condemns everything and everyone, the other group proposes to criticize justly, separating bad things from good ones, honest people from career seekers, and successes from defeats and neglect. As a fair judge does. As the teachings of the Church do, to which everyone refers in harmony.

What else separates these various parties? Who can answer clearly and distinctly?

In this situation, it is all the more tragic that in spite of the fact that so little separates these parties, or that simply nothing does, a conflict has grown up among them. There is not only a battle for supporters, but also between them. This is a warning of the worst that can happen: the break up of the peasant movement, which will lead, to be sure, to the formation of several or a dozen or so different parties of this type, but it will not increase the influence and significance of the peasant movement at all.

This is not a prediction but a conclusion based on the hard lessons of history. This was the case between the wars; thus, Wincenty Witos made the unification of the peasant movement the basic goal of his life, and the symbol was the Peasant Party beginning in 1931. Witos appealed to those alive then and their descendants to guard their unity as the greatest of goods. Have we today, honoring the great leader in words and declarations, forgotten about this? Unfortunately, that appears to be the case.

The organizers of the various initiatives are also, in my opinion, excessively optimistic about creating, out of nothing, political party infrastructures—the units and links, the essential material foundation, and, most importantly, the experienced people. That is not as simple as it seems!

Realistically, the members of the current ZSL and Solidarity of Individual Farmers have the greatest chance in this regard. I dare say, however, that in the second case, it is not so much a question of an independent political party as a branch of something much broader. The Polish Peasant Party Solidarity desires to remain within the parliamentary structures of the Citizens' Parliamentary Club; it desires to be a cog. And a small cog at that.

Obviously, concrete people, who support this or that path by their actions, will determine the further development of the situation. They will choose and respond to the question: build one, new, independent peasant party, in particular through the rapid, decisive transformation of the ZSL and on its foundation, or form two different peasant parties?

The first solution appears the more prudent. In any case, it is becoming a reality. And I agree with those who say the process should proceed more rapidly and decisively prior to the congress. It must be visible in the full democratization of the internal life of the party: in the immediate limitation of the apparatus to a service role, in fully free discussions and the competition of views, including in the press, in raising the prestige of the volunteer activists, who earlier were scolded for any little thing.

Perhaps some members of Solidarity of Individual Farmers will join the Polish Peasant Party Solidarity, although many will experience moral doubts. Perhaps those honest members of the ZSL, who are impressed by the boldness of the ideals and the actions of Solidarity, will also support that initiative. We must respect their decision. But I suspect that many normal career seekers, always ready to join those who mean more and can do more, will also choose that road. In the ZSL, we have had many of them. There were years when they left by the hundreds, even by the thousands. But we did not cry for them. Such people are neither our loss nor someone's gain.

Sadly, however, if the conception of breaking up the peasant movement into several, even a dozen or so, different parties wins out, then in spite of the number of parties, the prestige of the peasant movement in the political arena, its ability to fight effectively for concrete conceptions and decisions, will actually decline. In politics, as in life, no one pays attention to the weak. One can only pity the weak, and sometimes give him some charity. Perhaps that is what someone wants?

That may be the case until a new Witos appears, who with his will, arguments, and prestige again brings unity. Which will surely not happen soon, for now there is no second Witos.

Perhaps the worst will not happen? Perhaps there is still time to turn from the road toward a break up? Our entire hope is in the wisdom and good will not only of the many leaders, but also of the regular peasant supporters; they have the future of the peasant movement on their consciences.

YUGOSLAVIA

Kosovo Albanian Lawyer for Vllasi Interviewed

90EB0133A Zagreb START in Serbo-Croatian
28 Oct 89 pp 38-40

[Interview with Bajram Kelmendi by Mladen Miroslavjevic: "Bajram Kelmendi: 'We Will Call Milosevic to the Stand'"; date and place not given]

[Text] Now that the date has been announced for commencement of the trial of the 15 people accused of inciting and organizing the "counterrevolutionary events" in Kosovo last November and this February, the public's interest in that trial has intensified once again. If one analyzes the indictment, whose list of charges was "leaked" to some of the news media after the press conference of Spasoje Zamfirovic, district public prosecutor, it is obvious that this is a political trial, even though Zamfirovic himself told the newsmen that this was an ordinary criminal case. Certain prestigious names in Yugoslav legal science, Ljubo Bavcon, for example, even say that the present political leadership of SR [Socialist Republic] Serbia is arranging the political trial against Vllasi and his codefendants only so that it might confirm his political hypothesis about the counterrevolution in Kosovo, about its "staff headquarters" and "strategic plan." Bavcon also says that Milosevic's promise made to the infuriated mass of demonstrators in Belgrade has to be fulfilled: when he said that those responsible for the situation in Kosovo would be "punished and arrested," but the ultimate objective of the trial is through police and court repression to put an end to all resistance to his conception of the position of the Albanian nationality in Yugoslavia. Nor has anyone denied the statement of Ljubomir Tadic, member of the Serbian Academy of Sciences and Arts, who in an interview with START, said: "Milosevic announced to the embittered crowd in that rally what had already been adopted in the forums, he announced what had already been decided." That statement had a particular response in Kosovo itself, where there was a swarm of various speculations based on it. Be that as it may, it remains to be seen in the trial itself whether the basic thesis of the indictment will be proven to the effect that the demand of the striking miners at Stari Trg for the resignations of three Kosovo party officials (Rahman Morina, Husamedin Azemi, and Ali Shukrija) was counterrevolutionary, or did it just amount to protection of the current policy in Kosovo. The defense of the accused believes that in any case this indictment sets a precedent in the court and political practice of Yugoslav society, since, the defense lawyers add, Azem Vllasi is the only political official in Yugoslavia against whom an indictment has been lodged for his public activity as an elected political official. The indictment, then, they say, ignores the fact that a political official is protected in his activity not only by the Constitution, but also by legislation and by the bylaws of sociopolitical organizations. This is in fact a condition for the lawful and legitimate activity of politicians, and cannot be disputed or jeopardized on

behalf of any "higher interest." One of the defense attorneys in the upcoming trial is the vigorous 52-year-old Bajram Kelmendi, one of the best-known, if not in fact the best-known attorney in the province. He has been practicing law for 18 years now, exclusively in the criminal field, which is what he specialized in when he did his postgraduate work at the Law School of Zagreb University. He also worked for a time in the Kosovo Supreme Court as a specialist in the Criminal Department, and then he went into private practice. It is evident that this was a smart move not only from his house in the center of Pristina, which unfailingly catches the eye of everyone who walks down Gornja Velusa Street, but also from the pace of his work. Kelmendi, whose office, located right next to the house, overflows with law books, can never be found alone. His colleagues point to him as an example of a workaholic lawyer, and because of his experience and professional expertise he is one of the team of lawyers who will be defending the 15 who have been accused under Article 114 of the SFRY Criminal Code. Owing to the fact that he lives in Kosovo, it is inevitable that after 1981 he began to be involved with political crimes, although he says that murders are "more promising" if one looks only at earnings. At the moment, he has nine cases in hand, and for the first time since 1981 he does not have an assistant, although his wife, who herself was a judge for some 20 years, is his valuable collaborator and adviser.

Bajram Kelmendi says that he learned about commencement of the trial of the 15, among whom Vllasi, Aziz Abrashi, and Burhan Kavaja have received the greatest public attention, when he was watching the evening news program on TV Belgrade, on which they read the Tanjug bulletin that it would be on 30 October. He received the summons for the commencement of trial proceedings and the trial itself on 19 October, although the normal and usual thing is for this to go first to the accused and their defense counsel, and then to the media.

[START] What do you think about the charges of the indictment being published in certain news media even before it was obtained by defense counsel and the accused?

Kelmendi: I think that this is the first case, that is, a precedent, in which the charges of an indictment are made public partially or in their entirety in the news media before being received by those who should have received it first. What is more, this pertains only to certain of the defendants, that is the main ones. I think that the purpose here was to shape public opinion at the outset and prepare it to take an attitude toward the trial before it even began. The statement of Ismet Emra, president of the District Court in Titova Mitrovica, which he made to POLITIKA on 17 August 1989, is also symptomatic. He said that an indictment would be brought, but at that time the investigation had not yet been completed, and he also said that the trial was planned for the second half of October, although the

indictment still had not been brought, nor certainly could decisions have yet been made concerning the answers to the indictment.

[START] A certain confusion was also caused by the recent Tanjug report that the answers to the indictment of the district public prosecutor had not yet been taken up in the District Court in Titova Mitrovica, although at that point they had already been officially rejected.

Kelmendi: This was in fact a kind of disinformation, since at that point we already had the rulings rejecting the answers, and it was evident from them that this was 22 September, and the accused were so informed. After that, the report was denied, but numerous uninformed relatives of the accused call me up to ask why such a report was being published.

[START] What did you state in the answer to the indictment, and what response did you get?

Kelmendi: My answer was brief and concrete and it mainly had to do with the considerable difference that exists between the investigation, the results of the investigation, the state of the facts as they came to light in the investigation, and the charges contained in the indictment. Vllasi, for example, was taken into custody and is being tried, as is evident from the indictment, exclusively for lawful political activity. During the period covered by the charge, he was an elected party official and held public political office. The method used in these cases could be used to write indictments for almost every political figure under present Yugoslav circumstances. And then the entire preamble of the indictment has nothing whatsoever to do with the accused and their activity, since it has to do with the activity of Albanian nationalists and separatists from 1981 up to the present day. It is obvious that the indictment has been subordinated to the interests of current politics in Kosovo, which is why it sets a precedent in judicial and political practice of our society. Its main standard is whether any of the accused agreed or did not agree with some measure of current policy. Put simply, the causal connection which must exist in the criminal law does not exist between the actions described in the indictment and the consequences referred to, which the indictment treats as aggravating circumstances. What is more, the accused are being charged in the written indictment with certain criminal acts concerning which they were not questioned at all in preliminary proceedings, since they were not covered at all by the request for conduct of the investigation. So that in this connection the accused could not have offered their defense, so that in this section the indictment is a kind of sui generis "direct indictment," which in this particular case is not possible. Also, the State Security Service interrogated a large number of witnesses not mentioned in the decision of the investigating judge entrusting the investigatory operations to law enforcement agencies. The answers were rejected on grounds that they had no basis, and the substantiation signed by Ismet Emra, president of the district court and panel, alleges that the court, having

examined the case together with the allegations in my answer and the answers of the other defense attorneys, found that they were baseless. By the lights of the criminal panel of that court, the evidence and information gathered in the preliminary proceedings provide sufficient basis for an indictment to be lodged against the accused for the criminal act committed. Since that evidence and information contradicts the defense of the accused, the panel found that all of that would be a matter for assessment exclusively in the trial, and that is why the answers were rejected as baseless.

[START] Why in your opinion were the witnesses interrogated by the State Security Service, not by the court and the investigating judge, who are also unquestionably competent to do that job?

Kelmendi: In Kosovo, it is quite common for the State Security Service to handle cases that come under Article 114 of the SFRY Criminal Code, and there is no precedent here at all. We did point that out, stating that in no case have there been any reasons whatsoever for the interrogation of witnesses to be turned over to law enforcement agencies. On that basis, we sent a complaint to the criminal panel of the District Court in Titova Mitrovica, and it was rejected, and then we filed a complaint with the Supreme Court of Kosovo against the work of the investigating judge, the authorized officials of the State Security Service, and the district public prosecutor. The witnesses were first questioned by the State Security Service, in the absence of the prosecutor, the defense, and the investigating judge, and a statement was drawn up from that, and only afterward were they investigated a second time by that same body, but then in the presence of the defense and the prosecutor. There are no reasons for that, especially after the assertion of prosecutor Zamfirovic that this is not a political trial, but an ordinary criminal case, unless, of course, they wanted to exert psychological pressure on the witnesses. Under the law, as a matter of fact, these statements taken from witnesses in that manner cannot be accepted in evidence in the trial. In April, they began to question the witnesses once again, which is also not permitted under the law. The defense counsel were not even allowed to examine the first statements of the witnesses made to the State Security Service, nor were the accused allowed to do so. On a motion of the district public prosecutor, the defense was even deprived of the right of obtaining a copy of the transcript of the interrogation of witnesses, although the accused and the defense attorneys requested this in writing, after, of course, the court fee was collected. We have the right to that under the law, so that this violated the right of defense. In other words, it is objectively difficult to prepare a defense when you have testimony from 100 witnesses, which makes the case very voluminous, if neither the defense counsel nor the accused possess copies of that material, and the prosecutor, of course, does have them. This automatically puts us in an unequal position.

[START] The list of witnesses does not include a single distinguished name in sociopolitical life. Will the lawyers propose anyone in that group?

Kelmendi: On behalf of defense of the accused, who called for those witnesses from the very first questioning sessions, they should have been questioned even if the defense had not submitted their names. The authorities of the state have a duty to establish both facts which work against the accused and also those which favor his defense, and to do so with equal attention. Since Remzi Kolgeci, Rahman Morina, Kaqusha Jashari, Bajram Selani, Stipe Suvar, Slobodan Milosevic, and others were mentioned, the defense moved that the investigatory proceedings be supplemented and that they be questioned, because they could settle certain questions with authority. They could say, for example, whether it is true that Aziz Abrashi requested assistance from Kaqusha Jashari, i.e., that someone from the Provincial Committee of the League of Communists [LC] come to Stari Trg to meet the miners on 17 November of last year, before they set out for Pristina, and to talk to them. The court did not agree to that. We also asked that Rahman Morina be questioned, since it is evident from the record of the case and from the testimony of witnesses, indeed even those of Serbian and Montenegrin nationality, that in one of the meetings of the Committee for Nationwide Defense and Social Self-Protection in Stari Trg a warning was issued that the miners might shut themselves up in the mine. This was about 6 days before it actually happened. When Burhan Kavaja heard of that possibility, he immediately, right after that meeting, telephoned Morina, who at that time was both chairman of the Provincial Committee of the LC and provincial secretary for internal affairs, and he passed that information on to him. Morina's reply was let the people in Stari Trg do what they could to prevent that, and he had full confidence in them. Thus, no other steps were taken. The others who took part in the meeting gave opstina authorities that same information. So this had to be checked, since if they are the organizers of the strike and the rally, it is not logical that when they heard of such a possibility, they reported it to Morina and the opstina authorities. Both Bajram Selani and Remzi Kolgeci saw everything that was done to deter the miners from going down into the mine and from going off to Pristina. That is why the defense is proposing all those witnesses once again.

[START] Does this mean that we cannot even speak about the independence of the courts in Kosovo?

Kelmendi: As soon as something is published in the media before a hearing and a trial, and this is not the usual case, this has a certain effect even on the court, especially before a trial, a political trial, like this one. A certain public opinion is created before the trial begins, and this is not without importance, since it could influence the work of the court. The judges themselves are people, and they come from this community and this reality.

[START] Does this have anything to do with the replacement of the chairman of the District Court in Titova Mitrovica, whose place was taken by Ismet Emra, who previously had been a member of the Kosovo Supreme Court?

Kelmendi: That change occurred when the investigation was nearly over. Emra came to be president of the court after having been president of that court once before and then being elected judge of the Kosovo Supreme Court, while the previous president of the district court, Kaplan Baruti, went to take Emra's place on the Supreme Court. A judge may, to be sure, be delegated, and that is fine, but both of these judges had their terms of office, and had that casting been envisaged in advance, it is certain that a few months ago the then president of the court would not have been reelected to that position. A few years ago, Emra was also delegated from Mitrovica to Pristina for the political trial of the so-called group of intellectuals, although Pristina has a much stronger staff and capable judges. At that time, I was also defending an accused under Article 114 of the Criminal Code, a political scientist who worked in the Committee for Foreign Relations. In his case, they found that he had taped a program of Radio Tirana. Emra came to Pristina for that trial with his own typist, conducted the trial, and sentenced the accused to 9 years. I appealed, the verdict was set aside, and in a new trial the charge was changed to hostile propaganda under Article 113 of the Criminal Code, and the accused was given 3.5 years, which is the time he served.

[START] Who will be president of the judicial panel?

Kelmendi: I do not know even to this very day, although this must be known as soon as the indictment is filed. However, the signature of the president of the panel is not even on this summons to the trial which I received. The defense attorneys have looked into this several times, but they have been unable to obtain that information, which is truly unusual.

[START] What do you think about certain assertions to the effect that the political trial against Vllasi, Abrashi, Kavaja, and the others is being conducted in order to prove the hypothesis that the counterrevolution in Kosovo was organized?

Kelmendi: There has been quite a bit of talk about this in public, but when you bear in mind that Abrashi, Kavaja, and the others had no contacts whatsoever with Vllasi, it is not clear why they want to put all of them in the same basket as ringleaders and organizers of the events. Presumably, that is supposed to demonstrate that there was some command staff of the counterrevolution, one that had not been discovered even during the time since 1981, although this has nothing to do either with 1981 or with any command staff. Lazar Mojsov, a member of the SFRY Presidency, spoke about a "command staff" in the SFRY Assembly before the special powers were enacted in Kosovo, but the trial will show what is what. All the principal accused were very highly esteemed in the work

that they did, and they even received the highest decorations of the state for that, so that it is absurd to look among them for the so-called command staff of the counterrevolution.

[START] Is it possible for political trials in Kosovo to be settled by legal and professional means?

Kelmendi: It is rather difficult to speak of that as far as Kosovo is concerned. Although judges are supposed to be independent and self-sufficient, they do have a certain hidden fear, especially concerning trials like this one. Not once since 1981 have I had an acquittal in a political case, right up until this point, when the situation has changed somewhat. That has not occurred in Kosovo. There have been amendments of sentences, some have been reduced, but not many. The filing of the indictment under Article 114 automatically meant that a sentence would be pronounced, the only question is how long. However, recently there is a feeling that the courts have been acting a bit differently.

[START] On what basis do you make that judgment?

Kelmendi: Some who were held in isolation have been released without criminal proceedings even being instituted, and just the other day the charges were dropped against some who had been indicted under Article 114, and the public prosecutor has declined to prosecute certain others, which earlier was unthinkable.

[START] What were they indicted for?

Kelmendi: I will mention only certain typical cases so that you can see what the charges are like. One of the accused under Article 114 of the Criminal Code, Muzafer Hafizi, a worker from Urosevac, was charged because, so the indictment alleged, he "took part in hostile demonstrations organized by Albanian nationalists and separatists in Urosevac with the objective of breaking up brotherhood and unity among the nationalities and ethnic minorities, especially in SAP [Socialist Autonomous Province] Kosovo, destroying the equality of nationalities and ethnic minorities, undermining the economic stability of the country, and aimed at driving the Serbs and Montenegrins from Kosovo so that Kosovo would remain ethnically pure, so as to bring about conditions for it to secede from the SFRY, accepting and supporting the programmatic guidelines of Albanian nationalists and separatists." He allegedly joined the demonstrators and took an active part (they do not say in what manner) in the demonstrations, which resulted in a deepening of interethnic distrust, attacks on members of security forces, and the occurrence of extensive property damage. Hafizi was first given 2 months for a misdemeanor, and criminal proceedings were instituted against him before he had served all of that sentence. In those proceedings, the evidence that he had committed a crime under Article 114 consisted of the testimony of two policemen, them alone, who declared that they saw him in the city near the demonstrators on 24 March 1982. As a matter of fact, the policemen said, he was standing there not doing anything, but they

concluded from his appearance and the flushed color of his face that he had been a participant in the demonstrations. An indictment was filed against him, a 2-day trial was held, and after that the public prosecutor dropped the charges, and after 7 months of pretrial custody Hafizi was released. Or take the example of Bexhdet Rushiti, who was charged under the same article that last November he incited the workers of "Ramiz Sadiku" in Pec to go to Pristina and went with them, and that they then shouted slogans (the indictment did not state which), and this February that he proposed in a meeting of workers in the subsidized restaurant that a working presidium be established to conduct the meeting. In the meeting, support was expressed for the miners in Stari Trg and there was a discussion of the constitutional amendments in SR Serbia and SAP Kosovo, and that on 21 February 1989, together with other workers, he stopped work and went on strike until 28 February, thereby supporting the demands of the Stari Trg miners, which, it alleges, were directed against the constitutional amendments in SR Serbia. They even sent three telegrams—one to the Stari Trg miners expressing solidarity with them, another to TV Pristina asking for it to inform the public objectively, and the third to the students in the "25th of May" Auditorium in Pristina to cease their strike and return to classes. The trial was held, the public prosecutor did not withdraw the indictment, but the court acquitted him of the charge, and he was released after 6 months of pretrial custody. In any case, all the witnesses questioned said that the accused was one of the most conscientious workers, that the events in November had been completely spontaneous, which was also the conclusion of the Committee for Nationwide Defense and Social Self-Protection, and the slogans which they shouted had been "Tito and the Party," "Brotherhood and Unity," and so on. Criminal proceedings were also instituted under that same article against Ibrahim Osmani, former chief of the Center for News and Propaganda of the Presidium of the Provincial Committee of the LC. Since he had served the maximum time in isolation, pretrial custody was ordered for him, and when the investigation was completed, his case was turned over to the public prosecutor's office for indictment. The public prosecutor examined the record of the case, saw that there was no evidence that Osmani had committed a crime and sent the case back for additional work, requesting that the investigation be supplemented and that new evidence be gathered. When that evidence had been gathered, the case was again sent to the prosecutor's office, and then Osmani was released from custody a few days ago, after having been put into isolation on 1 March, and he was released, it is true, only on the basis of a decision terminating pretrial custody.

[START] Those against whom charges were dropped or who were in isolation under the law still enjoy all civil

and political rights. On the basis of your experience, how does all that look in practice?

Kelmendi: Differently. Often these people cannot even get another job, much less the same job. Usually, they must turn to something else, mainly some private livelihood. There is no need to go on about the fact that for many years they are labeled as being unfit and even "enemies" of society, something which the members of their families also suffer under, since this is known to everyone.

[START] Can those against whom the charges have been dropped or those who were in isolation seek not only moral satisfaction, but also financial damages for what they have suffered, including even physical abuse?

Kelmendi: They are entitled to seek nonproperty damages for suffering experienced in prison if they have been unjustly imprisoned, but the compensation is less than symbolic. In money terms, it now amounts to 50,000 dinars for 1 month. Those who have been released also have the right to compensation for personal income for the time they spent in pretrial custody.

[START] Can one speak at all, then, of a law-governed state if no one is accountable when an innocent man lies in prison and when he and members of his family suffer various unpleasant things even after he is released?

Kelmendi: When the charges are dropped or when the public prosecutor decides not to prosecute, if a law-governed state is functioning, no one should have any legal or other consequences, but that is not the case, especially in Kosovo.

[START] Could you say something about the possible length of the trial in Titova Mitrovica?

Kelmendi: As far as the outcome is concerned, I expect an acquittal. Anything else would be unlawful and unfair. In view of the 15 defendants, the large number of witnesses and defense attorneys, the 6-month investigation and the very complexity of the case, the trial will last at least a month, although this also depends on the effectiveness of the court.

[START] In spite of the suggestion of the Provincial Committee for Information, the District Court in Titova Mitrovica limited the number of newsmen who can enter the courtroom to 24 Yugoslav newsmen and 10 foreign. What insight, then, will the public have into the course of the trial?

Kelmendi: Knowing how much interest there is in the trial not only in the Yugoslav public, but even in the world public, I feel that the room envisaged for this, with its 80 seats, is small, and I therefore think that this will be a trial before a limited public, which will not benefit anyone.

GERMAN DEMOCRATIC REPUBLIC

Reexamination of Military Economics Urged

90EG0086A East Berlin VOLKSARMEE in German
No 49, Dec 89 p 5

[Article by military economists of the "Bruno Leuschner" Academy of Economics in East Berlin: "Is Our National Defense Effective?"]

[Text] The democratic restructuring of socialism also demands a new approach to national defense. As military economists of the "Bruno Leuschner" Academy of Economics, we accept the challenge of making a contribution to this new approach with the means offered by our science.

Firstly: National defense is necessary, and to an even greater extent than in the past must be integrated into the overlapping security policy strategies at the national and international levels and linked to diplomatic, economic, and other activities. The continuing threat posed by aggressive NATO circles demands the military protection of socialism on an adequate level.

This should not be left out of consideration in the overall social plan. Arguments supporting the necessity for safeguarding the peace through military means, and the position of the army in the social system, must be precisely defined and once again made optically visible.

Secondly: The overall system of socialist national defense, in its present form, is not efficacious. It must be more strongly oriented to the overlapping objective social processes as a whole and to subjective conceptions. For that purpose, a national military doctrine of the GDR and military reform in the National People's Army are urgently needed. Through the cooperative efforts of military scientists, military technicians, military economists, and others, as well as through the exposure of the basic data required for this purpose, proposals must be developed for the greater efficiency of national defense.

The Contributions of the Military Economists Must Consist of the Following:

- Contributing to the military doctrine of the GDR by means of
 - Analyses of the economic and military-economic potential;
 - Calculating the variants of primary and secondary distribution of the various possibilities for defending the GDR within the framework of the Warsaw Pact;
 - Economic assessment of the feasibility of military-strategic action variants;
 - Economic assessment of measures taken to master the conflict.
- Implementing a system of industrial management

oriented to the armed forces, by means of

- Analysis of the armed forces as an economic organism characterized by economic incoming and outgoing commodities, relationships between the components within the system, development of military-economic decision fields, decision contents, and decision latitudes;
- Proposals for management and planning systems adapted to the objective processes;
- Development of the military-economic responsibility, on various levels and by sectors, extending as far as determining the overall responsibility for the military-economic process;
- The continued elaboration of the science of applied economics for the socialist armed forces.
- Assuring a high degree of effectiveness of the economic safeguarding of the national defense within the framework of the national economy, by means of
 - Substantiation of rational methods for shifting from quantitative to qualitative defense production within the framework of an adequate national defense;
 - Proposals for a more effective structuring of defense production, to include its proper allocation to industrial branches and combines;
 - Proposals for an improved link between central state management and planning, on the one hand, and the autonomous activity of the combines and plants, on the other. (In all countries of the world, the production of armament and defense is to a high degree centrally regulated.);
 - Development of a better coordinated relationship between branch and territorial management of the military-economic processes, which is in conformity both with the economic management and the requirements of the military doctrine (elimination of the underestimation of the territorial aspect of military-economic management and planning);
 - Continued systematic elimination of illusionary methods of economic preparation for a state of defense;
 - Creation of legal provisions for successfully coping with extraordinary economic situations.
- Based on the objective reality of the military-economic reproduction process and its current changes, special attention must be given to the relationship of the elements and the control of these relationships.

This includes:

- Greater attention given to the distribution and circulation processes, while at the same time considering the military requirements and the economic possibilities;
- Improved utilization of the goods-money relationships while at the same time retaining centralized state control and planning for the process as a whole;
- Creation of a uniform and effective military-economic planning system, which includes all phases of the military-economic reproduction process and takes special social situation factors (conflict situations) into account;
- Simplification of the military-economic control structure in the armed forces and in the national economy;
- Formation of a military-economic committee in the Warsaw Pact or in the Council for Mutual Economic Assistance (CEMA) (analogous to the Military-Technical Committee);
- Simplified legal provisions, which are in conformity with the new conditions of the military-economic reproduction process and the economic mechanism.
- The process of disarmament, too, demands an economic, scientifically founded concept. By dint of their expertise, the military economists have the capability of contributing to this concept, which must include:
 - Effective, environmentally compatible, socially acceptable, and controllable variants of rendering the current military technology unuseable. Plans of this sort should take into account the possible magnitudes of future disarmament steps;
 - Conversion programs for the national economy, to include:
 - A concept for the economic process as a whole;
 - Programs for the combines and plants affected;
 - Regional programs.
- International scientific cooperation.

Thirdly: Decisions relating to military policy, military doctrine, military strategy, and military technology must in all cases be permeated with scientific military-economic considerations.

There is serious criticism in relevant international literature that this is not taking place to the necessary extent. Our own experiences substantiate this. This is true both for decisions of a national scope as well as for position papers serving as a basis for negotiating joint definitions in the Warsaw Pact or at other international negotiations.

For that reason, the following are imperative:

a) Collectives which prepare the way for such decisions should be staffed by personnel having adequate military-economic know-how.

b) Before decisions are made, military-economic reports reflecting the opinions of scientists or scientific institutions must be requested.

c) Groups engaged in research must not be directly subordinate to or dependent upon those individuals or bodies responsible for making the decision.

d) In its tasking and composition, the council for the "Economic Safeguarding of National Defense" in the council for economics science research of the Academy of Sciences of the GDR, as it has existed to date, does not meet present-day requirements. For one thing, it is focused solely on the economic assurance of an adequate national defense by means of the national economy. Economics within the armed forces are not touched upon.

And, for another, contrary to the practice followed in all other councils, its composition was determined by administrative directive, as a result of which its competence has been restricted. This limits the scientific consideration of military-economic questions. The council should be newly formed and should bear the designation "Council for Economics of National Defense and Disarmament."

e) Despite numerous critical allusions thereto, the "Military-Technical Institute of the National People's Army" continues to be unilaterally slanted toward technicians and engineers. The assessment and analysis of military-technical developments demands teamwork by both technicians and economists, however. Consequently, the relationship between technical and military-economic staffs should be changed....

The position paper bears the signatures of: Prof Dr Einhorn, director of the military economics department; Prof Dr (Science) Haensel, deputy director of the training and education department; Dr (Science) Machon, deputy director of the research department; Prof Dr (Science) Drechsel, head of the science sector; Graduate Sociologist Lehmann, secretary of the basic party organization [Grundorganisationen (GO)] directorate.

POLAND

Military Judges To Gain More Autonomy

90EP0117B Warsaw GAZETA WYBORCZA in Polish
16 Oct 89 p 3

[Interview with Captain Marek Kacperczak and First Lieutenant Andrzej Kmiecniak, judges of the Warsaw Military District Court, by Wanda Falkowska: "Self-Government for Military Judges"; date and place not given]

[Text] [Kacperczak] We are following with great interest the preliminaries regarding the National Judiciary Council draft law. We support the decision to guarantee

the independence of courts and judges. The military courts and judges should also receive the same guarantee.

[GAZETA WYBORCZA] The National Judiciary Council draft law specifies that the president of the Military Chamber of the Supreme Court as well as judges of the military court appointed by the minister of national defense will be included in the Council.

[Kmieciak] But a significant difference looms here. Judges of the general courts who will be members of the Council will be selected by a two-level judicial self-government and not by the minister of justice. This self-government will also select candidates for judicial positions. In our case, these candidates will be selected by the minister of national defense.

[Kacperczak] The law concerning the organization of the military courts was passed in 1972 and is outdated. Preparations to amend this law have been going on for about 10 years, but nothing has materialized thus far. After all, military courts are not strictly a military institution, especially in the sphere of adjudgement. However, military judges are soldiers in the strict sense of the word. Military judges should have the same guarantees and rights as general court judges and be selected in the same manner.

[GAZETA WYBORCZA] As is known, judicial self-government does not exist in the military courts. Should such a self-government be formed?

[Kmieciak] We believe that is necessary. Self-government, of course, would perform many tasks just as it does in the general courts. Judges of the military district and garrison courts as well as judges of the Military Chamber of the Supreme Court should be selected by a general assembly of military judges.

[Kacperczak] Decisions concerning military court nominations should not be made arbitrarily by the minister. This also applies to judges, other than the President of the Military Chamber of the Supreme Court, to be included in the National Judiciary Council. We believe that these judges should not be selected by the minister as projected in the draft law. They should be selected in a democratic manner by a judicial self-government. The community evaluations of judges are usually more equitable and cogent.

[GAZETA WYBORCZA] Is it known how other military court judges feel about these recommendations?

[Kmieciak] We know that they support our goals and views. We also believe that the union between the military judiciary and the general judiciary should be strengthened. The Supreme Court contains a military department and, thus, a link does exist. However, this is not an optimum.

We believe that to continue to maintain the separateness of the military judiciary within our instances would be unjust. After all, special departments to review military

cases could be created within the general courts. The minister of national defense could maintain some kind of supervision over them.

[Kacperczak] In the past, military courts performed various roles that did not bring them fame. Young military judges, who did not judge during the Stalin years or even during the martial law period, are subject to enmity. We want to make it impossible for this to happen again.

Military Salaries Listed, Defended as 'Relatively Low'

90EP0117A Warsaw ZOLNIERZ WOLNOSCI in Polish 20 Oct 89 p 3

[Interview with Lt Col Kazimierz Pietrzyk, Department of Finance, Ministry of National Defense, by Lt Col Andrzej Medykowski: "The Army and Money"; date and place not given]

[Text] [ZOLNIERZ WOLNOSCI] Money gives rise to emotions. Some people believe that military spending and cadre salaries are big secrets.

[Pietrzyk] No, they are not secret. Last year the budget for the Ministry of Defense was 767.5 billion zlotys.

[ZOLNIERZ WOLNOSCI] How much of that went for armaments and how much into the pockets of the cadre?

[Pietrzyk] Let us state it differently: outlays for material goods amounted to 547 billion zlotys; for compensations and benefits (Social Security Agency benefits), 163 billion zlotys; and other outlays and investments, 57.5 billion zlotys.

[ZOLNIERZ WOLNOSCI] On the armed forces scale, how many of these billions found their way into the wallets of the officers and noncommissioned officers?

[Pietrzyk] Last year the average monthly compensation for professional soldiers was 68,199 zlotys, which was 28 percent higher than the average compensation in the entire socialized economy and about 10 percent higher than the average compensation in the socialized industry.

For the basic ranks, this compensation amounted to: about 136,000 zlotys for a division general commanding a military district; almost 98,000 zlotys for a lieutenant colonel commanding a regiment; almost 67,000 zlotys for a first lieutenant commanding a company; and about 50,000 zlotys for a sergeant.

[ZOLNIERZ WOLNOSCI] However, time does not stand still, and inflation is raging. What do the compensations of our cadres look like today?

[Pietrzyk] Currently the average compensation for professional soldiers amounts to about 296,000 zlotys per month, including:

- 435,000 zlotys for a regiment commander, a lieutenant colonel (equivalent to an enterprise director);
- 325,000 zlotys for a battalion commander, a captain (equivalent to a production department head in industry);
- 298,000 zlotys for a company commander, a first lieutenant;
- 269,000 zlotys for a platoon commander, a second lieutenant;
- 262,000 zlotys for a company chief, a warrant officer;
- 230,000 zlotys for a squad leader, a sergeant.

In comparison, in August the average compensation in the area of material production was about 240,000 zlotys, and in industry about 268,000 zlotys.

It should be emphasized that professional soldiers have irregular duty hours which, as a rule, are longer than the nominal worktime of workers by about 40 hours on average per month. This results from the need to assure military preparedness and training. They are available to serve at all times, are often separated from their families and do not choose their duty stations.

Almost all of them are in command and management positions which require extensive professional and general qualifications (43 percent of the cadres have higher education; 32 percent have secondary vocational training; and 25 percent have basic vocational training).

[ZOLNIERZ WOLNOSCI] Taking the above into consideration, the compensation for the professional cadre of the Polish Army is relatively low.

[Pietrzyk] With respect to the specific conditions of military service, the compensation of professional soldiers in all armies is higher than the average compensation in the civilian economy. According to the facts, in the Warsaw Pact armies, for example, compensation for professional soldiers is 40 to 70 percent higher than the average compensation in the national economies of the individual countries; in the Bundeswehr, it is up to 40 percent higher.

The Ministry of National Defense is developing a norm index relating the compensation of professional soldiers to the compensation in the material sphere—based on the standard synthetic evaluation of wages method. Preliminary results show that this index will be about 140 percent.

[ZOLNIERZ WOLNOSCI] In the army, he who proves himself advances rapidly. And then he earns more.

[Pietrzyk] Yes, but that is nothing unusual. After being designated a regiment commander, a battalion commander increases his compensation by about 100,000 zlotys. However, prior to that, every officer must pass through several levels of command and complete the General Staff Academy. This takes 10 to 20 years and means several years of separation and several moves.

However, not everyone becomes a regiment commander. Only those who want very much to command and who are so predisposed.

[ZOLNIERZ WOLNOSCI] At the same time, there is a chance of advancing to the next level.

[Pietrzyk] It is very difficult to become a general. A division commander (brigadier general) earns up to 560,000 zlotys, and a military district commander (division general) earns up to 770,000 zlotys. However, within the armed forces, such "standouts" are few in number.

[ZOLNIERZ WOLNOSCI] If one considers the proportions, it is difficult to call them standouts.

[Pietrzyk] It is sufficient to say that a military district commander earns not quite three times as much as a platoon commander and about 60 percent more than a regiment commander. A company commander earns barely 10 percent more than a platoon commander.

[ZOLNIERZ WOLNOSCI] Looking at the pay scales, one can conclude that advancement is not worthwhile.

[Pietrzyk] In the hierarchy of service, the differences between the ranks do not create currently a strong motivation to assume higher and more responsible positions. However, it should be remembered that money is not the primary motive for electing a military career.

[ZOLNIERZ WOLNOSCI] But it is the only source of support for the professional soldier and often for his family.

[Pietrzyk] That is true. The compensation received by the professional soldier is the primary source for supporting his family. However, from that which I mentioned previously, this compensation is not high—despite what most people think, and a significant portion of the cadres, especially those with small children and nonworking wives, live on the border of the social minimum which, according to some sources, presently amounts to about 70,000 to 80,000 zlotys per person for working families.

[ZOLNIERZ WOLNOSCI] But the wife can go to work, and a child can be sent to preschool. Also, at times an officer can earn money on the side.

[Pietrzyk] In the isolated garrisons, it is difficult for an educated woman to find work worthy of her qualifications. In these garrisons, most often military wives can find employment only in military units as office workers or aides, which does not require special qualifications. Thus employment opportunities are limited. For this reason, almost 50 percent of military wives in isolated garrisons do not work. The availability of preschools also varies.

Concerning "making money on the side," young officers do not have the time for this. While it is a fact that recent

regulations encourage such initiative, only a small portion of the professional cadres can take financial advantage of this.

[ZOLNIERZ WOLNOSCI] The above indicates that the material situation of the professional cadres is difficult. However, some people still want to cut the budget of the Ministry of Defense.

[Pietrzyk] I have presented the facts. It should be added that most professional soldiers transfer several times

from garrison to garrison ("three transfers are like one fire!"), their children go to secondary schools and study in distant cities. It all comes down to this: a second lieutenant or first lieutenant and even a major or lieutenant colonel find it difficult to make ends meet. If, however, they are able to achieve a decent standard of living in accordance to our standards, it is only because of immense effort and many years of saving and most often self-denials.

[ZOLNIERZ WOLNOSCI] Thank you for the interview.

INTRABLOC AFFAIRS

**Hungary Seeks To Limit Trade With Poland;
Exchange Rates Blamed***90EP0194A Warsaw RYNKI ZAGRANICZNE in Polish
28 Oct 89 p 3*

[Article by Milosz Weglewski: "After the Budapest International Trade Fair: How Are Accounts To Be Settled Among the Kinsmen?"]

[Text] At the recently concluded fall consumer goods trade fair in Budapest, the Polish assortment was really quite acceptable—probably even better than our real export potential. As merchants here confirmed, the proposed items were aimed at the needs of the Hungarian market. Nor was there any quarreling with the mode of presentation; on the contrary, the attractive image presented by our exposition, at least by comparison with exhibitors from other socialist countries, was generally acclaimed. However, the volume of trade resulting from this fair was significantly lower than expected and was also clearly more modest than in previous years. Was it an accident? No, it was rather a true reflection of the situation in trade between the kinsmen.

For at least 3 years, Polish-Hungarian trade has been stagnating. This year, we shall witness quite a significant regression. It is already a foregone conclusion that the provisions of the trade protocol for 1989—total turnovers amounting to 1.158 billion rubles—will not be implemented. All that remains to be determined is the level of decline of trade: will 90 percent of the provisions of the protocol be implemented or merely 80 percent? The amount of Poland's negative trade balance in this exchange, which was less than 48 million rubles for all of 1987, but reached 81.5 million rubles in 8 months of 1989, also remains an open question. At any rate, both of these tendencies have recently assumed a permanent quality.

This declining trend is a practical example of the mechanism restricting trade turnovers with socialist countries (thus including Poland) used by our Hungarian partners. It is being said down on the Danube that trade with these countries, and particularly export to their markets, has become completely unprofitable and will result in significant losses, if the principles currently in effect are used and if the transfer ruble is used in accounting. In this way, continuing this trade will cause a worsening of Hungary's economic situation, which is itself very complex, especially financially. Moreover, the Hungarians have a significant surplus (over 100 million rubles) in turnovers with socialist countries and they do not see much of a potential for liquidating this surplus through additional purchases on these markets. More than this, they do not wish to increase their positive trade balance. Hence the reason for the halting of export. However, let us not hesitate to note that while this curtailment of trade is not free from administrative intervention, it is increasingly natural in character. The Hungarians have

been quite rational in developing mechanisms in industry and trade which bring about a restriction in export wherever it is unprofitable and does not comply with the program for restructuring the economy. A natural market mechanism is beginning to operate here in which ineffective export is simply left to fade away. In the system of trade exchange operative through the present under the CEMA framework, this results in a reduction in imports from these countries.

What is heartening about all this is the fact that our producers as well, taking advantage of growing autonomy, are starting to oppose export that is unprofitable for them, even if it is covered by trade agreements between both countries. For this reason alone, this year the Hungarians will not be supplied with 3,700 passenger cars which have been contracted for and are included in the protocol. In order for such export to be profitable and competitive with regard to the domestic market (not to mention deliveries for convertible currencies) the domestic producer is demanding a subsidy amounting to \$500 U.S. and beyond this an additional 2 million zlotys. Thus, here as well, unprofitable export using the system of accounting in effect to date and artificial rates must dwindle.

While the phenomena noted above do not bode well for the activation of trade exchange between the two countries, they do suggest one obvious conclusion: since we cannot even implement agreements concluded and guaranteed by our governments, it makes no sense to continue trading in our present manner, according to a trading protocol, strictly apportioned item quotas and limited transaction prices. On the other hand, the future of our trade, beyond its obvious freeing from the strait-jacket of international agreements, lies in freely negotiated prices and free foreign exchange accounting based on a permanent and precise measure of value—which the transferable ruble unfortunately is not and never has been.

It seems to me that there is a general conviction in both countries that there is a need to change the present system of trade. Doubts arise and differences of opinion occur in the definition of the time frame for introducing the new solutions, in the rate and degree of their radicalism, in the transitional stages that are necessary and, finally, in the profits and losses and the costs of such an operation, especially during the initial period.

The Hungarians appear to be somewhat more determined regarding such an option. The statement made by Peter Meddessi, HPR finance minister, to open the Budapest trade fair, appears to give evidence of this. He said that "in trade relations with socialist countries, the Hungarians wish to move over to a base of accounting in convertible currencies." In spite of this kind of statement, in practice our kinsmen are approaching the matter with caution—they are calculating, sounding out the reactions of partners. And down on the Danube, where the domestic market is really beginning to

resemble a market, it is relatively easier to make order in the sphere of cooperation with foreign countries.

Thus, it comes as no surprise that considerable caution is still being demonstrated on the Vistula as well regarding this matter. On the one hand, this emanates from ingrained habits—it is easier to function under governmental terms of guaranteed sale and purchase than to look for new possibilities, surmount barriers and risk failure. On the other hand, there is the fear of losses during the transitional period, which may complicate the situation of the domestic economy in at least several sectors. No one doubts that during the initial period of transition to a new form of accounting, Polish-Hungarian trade will clearly break down. According to BRH [Bank of Skilled Crafts Industries and Trade] accountings in Budapest, in the first year turnovers with this market will drop by as much as 40-50 percent. Nor can it be denied that in some branches, eg., motorization and public transport, which are highly dependent upon Hungarian deliveries, a sudden curtailment of trade would result in significant disruptions on the market.

While I would not like to be mistaken, it seems to me that such fears are more often encountered among economic steerers and decisionmakers than among merchants involved in day-to-day practice. I was unable to poll the opinions of decisionmakers in Budapest, but I did have the opportunity to chat with merchants. However, I would like to point out that the branches represented at these trade fairs constitute somewhat more than 30 percent of total turnovers with the Hungarian market. Thus, the opinions of their representatives do not have to coincide with the opinions of merchants from the electrical machining industry or from the raw materials industry.

Malgorzata Banaszek from Universal says: "Our trade with the Hungarian market is undergoing hard times. We have found ourselves in a deadlock on many groups of items. In the area of mechanized household appliances we have almost no assortment, since domestic producers are not coming forth with any articles at this time. They make it clear that they will not provide us with any goods for this market, because there is no profit in it for them. This is absurd and paradoxical at the same time, for these are the very items in which there is great interest, and if we look at the prices on the Hungarian market, we could be quite competitive in this area. I am convinced that if our firms could earn dollars here, thus making such export a sort of alternative to export to the West, the goods would certainly become available.

"We also spoke with merchants from Konsumex, our major partners, on the subject of the free foreign exchange clearing of accounts. With regard to the electrical equipment mentioned above, it appears that they would be willing to accept the prices in dollars proposed by us as a guideline. For a long time now, we also have been talking with them about the purchase of an assembly line for the production of electrical motors and about paying for this line in fully assembled sweepers

and mixers. Of course, this would be based on the free foreign exchange clearing of accounts. Both sides are interested in this and we will probably finalize this matter in 1990.

"Such interest, however, does not extend to the entire assortment of mutual trade. Our partners believe that such a clearing of accounts has the possibility of succeeding in the future, but certainly not next year. For the present, they see the possibility of dropping quotas. In general they appear to be very cautious and clearly await decisions from above. Within our delegation, no one as yet had made any estimates of the potential gains and losses in the shift to the free foreign exchange clearing of accounts. Certainly, it would not be possible to maintain the present level of turnovers, but it would definitely allow us to overcome the present state of stagnation."

Maria Bielanska, who deals with the export of fine items of clothing at Varimex, says: "At the beginning of August I received several items from our producers, but before I left for Budapest I was informed that I should not offer anything at the fair. You cannot trade from an empty basket... The barrier to our export is an unstable and absorptive domestic market. In the case of the clearing of accounts in the transferable ruble, this is a barrier that it almost impossible to surmount at present. Nor are there any allowances to provide a considerable incentive. A shift to the free foreign exchange clearing of accounts would change this significantly. On the other hand, however, our assortment of items is not very attractive. The Hungarians do not like the patterns and they do not find the items aesthetically pleasing. Thus, we cannot expect that the Hungarians would want to buy our fine clothing for dollars. Similar items from Italy or Yugoslavia would be competitive pricewise and, moreover, they would be much more attractive. Thus, if turnovers in my assortment dropped by one-half, it would not be bad at all. But calculations cannot be made on the basis of such a partial assortment: a comprehensive accounting of gains and losses must be made."

The head of the Varimex delegation in Budapest, Tadeusz Stoklosa, presents a similar viewpoint: "An accounting must be done on the scale of the entire economy. For if we looked at firms from a parochial viewpoint, in the interim a shift to the free foreign exchange clearing of accounts would be illogical and would bring more losses than gains. More than 65 percent of Varimex turnovers with this market are import turnovers. For the most part, we purchase medical equipment, machinery for manufacturing ready-made clothing and footwear, aluminum radiators and gastronomic service equipment for a total of approximately 30 million rubles. For most of these assortments, an alternative to these purchases would be import for dollars, which would be infinitely more expensive. In the shift to free foreign exchange trade, there is really no special reason to purchase these items in Hungary, unless they would be sold there 30-40 percent cheaper than elsewhere, which is quite impossible. On the other hand, if we stopped importing, our partners would probably

stop buying from us. Thus, our total turnovers would decline very significantly. Meanwhile, we must remember that in many assortments, our export is possible only in rubles. All costs are calculated in ruble prices. In the West, on the other hand, we can compete only in terms of prices, and this is not always possible.

"Thus, we must be careful in calculating profits and losses. Changes in the system of clearing accounts are certainly needed. The present system is quite outmoded and ineffective. Our ultimate goals should also be the clearing of accounts in free foreign exchange while doing a balance-sheet accounting of only the most strategic raw materials and chemicals. We must aim toward this goal, however, in successive stages, by evolution rather than revolution. A precise program must be prepared in this area that takes into account the extent to which it will improve our economic situation as well as the program's scope."

Trade between Agros and the Hungarian market, amounting to approximately 8 million rubles, is primarily the sale of Polish vodka and the purchase of wine and champagne. Krzysztof Baranski, director of the company's delegation, says: "We have no maneuverability in this area. We have no influence over quotas or prices, which are determined from above. Meanwhile, the price of wine on the world market is a function of competition, the volume and quality of assortments in individual countries and the like. If we had freedom in this area, instead of buying from Hungary, sometimes we could buy wine cheaper in Cyprus, Spain or Lesotho. We could react with some flexibility. The price of vodka in turn generally rises worldwide relative to wine prices, while our price ratios are fixed."

My interview at the Kielce Exbud company came at an opportune moment, since all divisions of the firm gained their autonomy on 1 October 1989 and they are shifting to their own self-financing. According to Marek Lesniewski, head of the Budapest division, the shift to the free foreign exchange clearing of accounts seems to be most advantageous from this viewpoint, especially since the close of the year will coincide with the end of the era of the dollar bonus, which was practically the only incentive motivating people to work on construction in socialist countries. This will have to be replaced with something. But this is only one side of the coin. The other side is that with such a form of clearing accounts, the Hungarians would not generally be interested in importing construction services from Poland. Why should they pay the Poles in dollars when their fellow countrymen work for the same currency in contracts in Lebanon, for example? This would be absurd. This is especially the case since under the high-sounding name of exporting services, Polish firms are simply selling manpower by the hour. We lack the capital to secure construction sites, we lack support in banks and we cannot guarantee comprehensive services. Usually we act as subcontractors for the Finns or the Yugoslavs, and they are the ones who win the contracts. Thus, Exbud is in danger of falling out of this market, and the exchange

of goods has a symbolic significance for the present amounting to about 4 million rubles. It is a hard choice.

Ryszard Bachura, director of the Torimex delegation, maintains: "We cannot continue according to the protocol and the system of the clearing of accounts in rubles. The organism is sick and it requires a radical treatment. Everything is artificial here—prices, the assortment and the rates. The lack of offerings from producers is becoming more and more intense; the domestic market is taking everything. We must depart from the system now in effect, but should we immediately push out into the deep water of the free foreign exchange clearing of accounts? We shall support such a solution if I receive the goods for an export assortment. It would seem, however, that the use of the clearing dollar during the transitional period should already make a radical change in the motivation of producers. Of course, there is the risk that turnovers will drop by as much as 40-50 percent, but if the simulation accounting shows that in 3-4 years we will get straightened out, it is worth trying."

So much for the opinions I gleaned from traders. Our BRH in Budapest, which made a thorough, 2-year study of the potential for using the new mechanism, presented three variants in this area—to maintain the present system (the worst of the possible solutions), to use the free foreign exchange clearing of accounts and regulate balances in the transfer of dollars and to shift over to the free foreign exchange clearing of accounts. According to a poll conducted by the BRH which includes the opinions of 18 of the 24 trade delegations in Budapest, a clearing model using accounting in convertible currencies (the idea is not excluded that over the short term this could be the convertible forint) would serve Polish-Hungarian trade the best during the transitional period to the free foreign exchange clearing of accounts. This would be used along with the immediate shift to freely negotiated prices and the total elimination of the clearing of accounts with a budget in both countries. Since time is clearly pressing, the very near future will tell us what final decisions will be handed down from the top.

While the level of turnovers between Poland and Hungary is relatively small, the importance of our partner down on the Danube is incomparably greater for our trade. Moreover, both partners are probably the only CEMA partners who have matured enough to introduce this type of mechanism. They must make themselves into a proving ground to test this mechanism. The initial losses and high costs of such an operation are to be expected. However, both countries plan to shift to the track of a market economy, on which the economic and social costs will be incomparably greater. Thus, for many reasons, Polish-Hungarian economic relations should gain a special status enabling us to experiment rationally and develop the most effective solutions. The Poles and the Hungarians have always had much feeling for one another. The time has come for them to learn how to reckon with each other and trade with one another.

BULGARIA

Increases in Dairy Production, Prices Slated for 1990

90EB0115A Sofia DURZHAVEN VESTNIK in Bulgarian 22 Sep 89 pp 1-2

[Text] Council of Ministers Resolution No 45, Dated 15 September 1989, on Increasing the Number of Cows and Sheep and Creating Conditions for the Development of Dairy Sheep and Cattle Farming

Council of Ministers Decree:

[No Articles 1, 8, 10, or 11 as published]

Article 2

Writing off cows and ewes will be based on the strict observance of the stipulated procedure; records on write-offs must be approved by the chairmen of the commissions on agriculture, forestry, and water resources and the self-satisfaction of the population under the executive committees of oblast people's councils.

Article 3

3.1. Starting with 1 January 1990, the executive committees of municipal people's councils shall pay to the public and private farms and cooperatives in mountainous and semi-mountainous areas and areas affected by migration processes 500 leva per cow, 600 leva per buffalo cow, and 60 leva per ewe, and for all other areas 350 leva per cow, 500 leva per buffalo cow, and 40 leva per ewe. Incentive payments will be granted only for increasing the number of cows, buffalo cows, and ewes as compared to 31 December of the preceding year, for offspring born during the year.

3.2. The collective farms, other agricultural organizations, cooperatives, and private farmers who allow any drop in the number of cows and buffalo cows for a period of up to 5 years and for ewes for up to 3 years from the year they have received the bonuses will refund the amounts along with interest to the state budget.

3.3. The lists of settlements in mountainous and semi-mountainous areas and areas affected by migration processes, in which bonuses will be paid as per paragraph 1, will be approved by the minister of agriculture and forests and the chairmen of executive committees of oblast people's councils, coordinated with the Ministry of Economics and Planning.

3.4. The funds as per Article 1 will be provided by the Ministry of Economics and Planning and the Ministry of Agriculture and Forests, which shall also define the procedure for the expenditure of such funds.

Article 4

4.1. Sheep breeders at the livestock farms of the collective farms and other agricultural organizations and auxiliary farms, as well as piece-work farmers, lessees, and

private farmers can purchase, based on the approved rate of exchange, from the Bulgarian National Bank nonsocialist currency from the account in foreign exchange income of companies which have exported dairy products, per each 100 leva of standard ewe's milk delivered to the purchasing organizations at 6.5 percent butter fat content, 4 foreign exchange leva for 1990, and 5 foreign exchange leva for 1991 and subsequent years.

4.2. The foreign exchange as per the preceding paragraph will be debited by the Bulgarian National Bank from the accounts of the respective companies in accordance with the procedure coordinated with the Ministry of Economics and Planning.

Article 5

Companies within the system of the Industry for Man Association and other purchasing organizations will grant some of their own foreign exchange funds to producers against wool and hides delivered by them.

Article 6

6.1. The following purchase price mark-ups will be applied as of 1 January 1990:

1. Cow milk, 3.4 percent butter fat, 140 leva per 1,000 liters;
2. Buffalo milk, 7.5 percent butter fat, 780 leva per 1,000 liters;
3. Ewe's milk, 6.5 percent butter fat, 780 leva per 1,000 liters;
4. Unwashed wool: 4,000 leva per ton.

6.2. Funds for mark-ups as per paragraph 1 will be procured from the state budget.

6.3. Raises, as of 1 January 1990, the amount of supplements for goods purchased in mountainous and semi-mountainous areas for cows, buffalo, and sheep milk and unwashed wool as per addendum No 3.

Article 7

The Ministry of Agriculture and Forests and the Ministry of Economy and Planning will provide the necessary economic conditions for directing the interests of companies and other organizations toward applying the shareholding principle in vertical integration with collective farms, other agricultural organizations, and cooperatives, with a view to transferring investments and other resources from processing industry enterprises to agricultural organizations in order to stimulate the development of cattle and sheep breeding. Starting with 1 January 1990 funds invested by companies and other organizations in the development of cattle and sheep breeding will be subtracted from profits before taxes and from payments to municipal people's councils.

Article 9

It is recommended to collective farms and other agricultural organizations and cooperatives to provide the opportunity to private citizens to raise cows and ewes which will not be bred, at prices of slaughtered cattle, as well as premises for raising them, against minimal rent.

Article 12

12.1. The executive committees of oblast and municipal people's councils will take practical steps and channel funds into rebuilding the infrastructure of small settlements and hamlets in mountainous and semi-mountainous areas with a view to creating conditions for their fast resettlement and accelerated development of mountain sheep and cattle breeding. To this effect, on the basis of a list drafted by the executive committees of oblast people's councils, coordinated with the Ministry of Agriculture and Forests, starting with 1 January 1990 the following incentives will be given to those who have settled in hamlets and small settlements:

1. Free housing and farm buildings for assuming the obligation to raise sheep and cattle;

2. The State Savings Bank will grant loans to the new settlers and the local citizens without requiring an initial deposit, as follows:

a. For building or purchasing housing, no more than 30,000 leva, repayable over up to 30 years;

b. For repairs of housing and farm buildings, no more than 10,000 leva, repayable within 15 years;

c. For the development of private plots, no more than 2,000 leva per family member but no more than 6,000 leva per family, repayable within 10 years;

3. In the case of new settlers and local citizens who will continue to live and work in such settlements after the 15-year term, the balance of the loan obtained for building or purchasing housing, not exceeding 10,000 leva, if repayment loans have been made regularly, no more than 10,000 leva will be paid out of the budget.

12.2. The land structuring and utilization authorities will grant the new settlers the necessary arable land and pastures based on the conditions prevailing in the respective areas and the number of sheep and cattle which will be raised.

Concluding Stipulations

1. Letter "b" of point 4 of Article 1 of Decree No 58 of the Council of Ministers of 1974 (published, DV No 58, 1974; supplemented, No 91, 1975; No 1, 1978; amended, No 29, 1980; No 24 and No 43 of 1983; No 2, 1986; No 3, 1987; and No 10, 1988) will read as follows:

"b. Sheep, and other cattle, obtained from any individual raising such livestock personally and with members of their families."

2. Deletes as of 1 January 1990 points 51, 52, 53, and 54 of the appendix to Article 16, paragraph 2, of Decree No 58 of the Council of Ministers of 1987 (published DV No 99, 1987; amended, No 27, 1989).

3. The execution of this resolution is assigned to the minister of agriculture and forests and the chairmen of executive committees of oblast people's councils.

Georgi Atanasov, chairman of the Council of Ministers
Pancho Burkalov, secretary of the Council of Ministers.

CZECHOSLOVAKIA**Soviet Economist Views Relations With CSSR**

90EC0166A Bratislava PRAVDA in Slovak 8 Dec 89 p 6

[Article by Vladlen Krivosejev, department chief of the Institute for the Economy of the World Socialist System of the USSR AV (USSR Action Committee) on Soviet-Czechoslovak Economic Relations: "Problems and Solutions." View of a Soviet Economist]

[Text] I want to make it clear right at the beginning: The following remarks do not express any official position. What I am writing about is the personal opinion of a man who has already been dealing with the problems in question for many years.

In relations between countries there inevitably arise situations which can be correctly evaluated and understood only from a distance of several years. Historians talk about blank spots, economists about sensitive points. But were these blank spots and sensitive points mistakes at the moment they occurred, or do we understand them as such only after gaining experiences, or as a result of changed situations or the passage of life itself?

Different Views

For example, today voices are heard in our country accusing the former leadership of damaging the interests of its own country and neglecting the needs of current and future generations. At issue is the trade with irreplaceable wealth, crude oil, gas, and ores. A particularly negative reaction has been engendered by the unequal exchange of these "hard currencies" (and crude oil, gas, and ore unquestionably belong in that category in spite of all the price fluctuations) for foreign, therefore also Czechoslovak, goods which have not found interested customers in markets more demanding than the Soviet one. In the economic jargon such goods are called "soft," in contrast to "hard" which can be exchanged for convertible currencies.

For the sake of fairness it must be said that the numbers really show an unfavorable ratio for the USSR: Of the total volume of its foreign trade with socialist countries, the share of "hard" commodities imported is about 40 percent, whereas it is about 60 percent of those exported.

And now let us consider the other widely held view, this time in Czechoslovakia, according to which the undemanding Soviet market bears responsibility for the decline in the technological level of Czechoslovak production. For the sake of objectivity I must again admit that there is undoubtedly some truth even in this assertion; demand generates supply. I must point out, however, that the Western market and the possibility of developing export production for it did not, after all, cease to exist.

Situation Changed

The spectrum of economic relations is not exhausted by trade but represents a complicated system of linkages. It was to Czechoslovakia's advantage to produce and sell what it produced and sold, and to the Soviet Union's advantage to export what it exported. Can, therefore, that which brought benefits to both sides at the given time be considered a mistake? Another point is the fact that today, when the situation has changed and new criteria for evaluating past actions have appeared, we are beginning to understand that only short-term advantages were in question, only momentary "pluses" with negative consequences which could be perceived only after the passage of some years.

Today the situation has really changed fundamentally. But not just because the Soviet Union has embarked on restructuring. The situation is different primarily because a restructuring of the world economy is underway. Entire continents, abounding with enormous human and natural resources—Asia, Africa, Latin America, have joined the global economic processes on a new political-economic basis. It can be stated without exaggeration that a new stage has begun in the development of human civilization and its economy which is being newly optimized, based on the rapidly growing number of production factors and their new territorial structure. This global process of the break-up of the old map of the international division of labor also coincides in time with a new turn of the spiral of technological progress, which lends the restructuring of the global economy a singular upsurge and dynamic. In its final result, the substance of these global changes is reflected in the restructuring of the national economies. As far as our country is concerned, rejecting it would mean a further lagging behind, not only behind specific advanced countries, as we have been assuming until now, but behind the advances of human civilization. And that is already a question of life and death, not of political or ideological views.

Three Areas

It is precisely the restructuring of global dimensions that exposes the "sensitive areas" in economic relations among countries. In my view, there are three problem areas in the relations between the CSSR and the USSR which are closely interconnected.

First problem area: the standing of the CSSR in the Soviet market. The world prices of crude oil have declined and it has not been possible to compensate for this decline by increasing deliveries, which in the end has resulted in a deficit for the Soviet side in the trade between the Soviet Union and the CSSR. At the beginning of this year this amounted to 1.5 billion rubles. In an effort to prevent a further increase of the debt, the Soviet side is cutting back its purchases in the CSSR, which affects primarily those products which cannot be sold successfully in other countries because of their low competitiveness.

Today Czechoslovak products are becoming competitive, and their competitiveness is also increasing in the Soviet market: As a consequence of economic reform, enterprises have gained autonomy in the area of exports and imports, and naturally they are directing their production toward high quality goods. Another new aspect, which must necessarily be taken into consideration, is the fact that Soviet enterprises have been granted financial independence. That means that instruments of political solutions to economic problems are gradually being dismantled, because direct producers are guided in their activities above all by their specific production interests.

All this places Czechoslovak producers (I emphasize, with the exception of those for whose products there is no interest in other countries) in a very complicated situation. But what is the way out? To my mind, it is dictated by life's realities: restructure production on quality technological foundations, which would also make it no longer dependent on the "whims" of the Soviet customer. As we can see, history is repeating itself, this time with reverse values: Today's negatives will become tomorrow's positives. But there is the problem that these negatives are complicating our life today, just at this moment. However, the producer as well as the customer must get rid of poor quality production. They will both gain by it.

Second problem area: In the future the Soviet Union will not be able to trade raw materials at the current volume. It is not efficient. The new approaches to participation in the international division of labor demand that development of processing branches be given priority. To achieve this task we need modern technology, which at this time neither we nor our closest partners have at our disposal to a sufficient degree. It follows that we shall have to look for experience in technological restructuring where they already have it. As a consequence, in my opinion, it will be necessary to make changes in the Soviet-Czechoslovak exchange of machinery products, specifically, to reduce its share in favor of increased trade with the most advanced countries of the West as well as the East.

To be sure, there are still wide-ranging possibilities for joint enterprises based on Soviet raw materials and those Czechoslovak technologies which are equal, or could become equal to world standards. Figuratively speaking, to manufacture a convertible good out of convertible raw

materials with convertible technologies. Raw materials will still remain an important part of Soviet exports, but the USSR will endeavor to sell them more effectively. It is precisely this condition which makes possible the development of wide-ranging joint enterprises which will have to be, as is obvious, directed not only at products which are unavailable in our markets, but also at earning foreign currency in the markets of third countries. They will have to be not very large enterprises with technologies which can be easily converted and thus make possible a quick reaction to changes in demand. In Czechoslovakia there is a graphic example of how such an idea can be successfully realized: I am thinking about the Agrokombinat Slusovice.

Within the structure of the Soviet economy, given its size, similar enterprises probably will not have a very significant place. In contrast, however, within the structure of the Czechoslovak national economy they can, to my mind, represent a very substantial component, able to generate considerable earnings. If prejudices in relation to the cooperative sector now coming into being in the USSR can be overcome, Czechoslovak-Soviet state-cooperative joint enterprises or a joint entrepreneurial activity in general (without joint production assets) will be able to show results 1 and 1/2 to 2 years after contracts are concluded.

Third problem area: stems from the changes in the way our economies interact. The point is that trade relations in the real meaning of the word did not exist between our two countries. We did not trade goods, we exchanged results of work, only thinly disguising it as foreign trade. A specific amount of, say, crude oil, was exchanged for a specific amount of machinery, footwear, etc.

After the planning agencies approved the respective requirements and options, the physical volumes were transposed into monetary form in transferable rubles. The transferable ruble, the rate of exchange of national currencies in relation to it, and the prices of mutually supplied products served, however, more as an accounting tool than an equivalency gauge of the exchange. That means that money did not play the role of money as such.

Origin of Trade Deficit

A typical example is the origin of the Soviet trade deficit. In their time, the prices of raw materials and fuels were rising quickly. So quickly, that Czechoslovakia was not able to increase the physical volume of its deliveries at a corresponding rate. In order to maintain it at its original level, the prices of products from the CSSR were being increased with the consent of the Soviet side. Today, the prices of raw materials and fuels have declined, but the prices of Czechoslovak machinery remain at the original high level. And today, during the transition to a real market, when directly or indirectly a third party is also present—competition—"all of a sudden" we are discovering the differences between the prices in our contracts

and the prices offered by the competition, which are two or as much as three times lower.

Unrealistic prices and unrealistic rates of exchange of national currencies in mutual relationships or in relation to world currencies, together with the lack of interlinkage of the economic mechanisms do not stimulate economic interest in developing new forms of cooperation in specific production either in the USSR or the CSSR. The transition of our countries from the barter system to truly mutually advantageous relations is, of course, complicated and not a short process. But it is already underway and in its social consequences it can be compared to the historic transition from an economy based on natural resources to one based on manufactured goods.

Toward More Effective Relations

Breaking old habits, as the breaking of anything, is not without pain, but it must not evoke feelings of disillusionment and in no way mistrust. After all, it is happening for the sake of building new, more effective, and thus stronger, relations. In the harmonizing of the economic policies of our countries, in as full as possible mutual harmonizing of their investment components and in synchronizing the economic mechanisms, I see the prospect of harmonizing our economic relations on a new, more efficient basis.

GERMAN DEMOCRATIC REPUBLIC

Planning Commission Publishes Reform Proposals

90EG0084A East Berlin NEUES DEUTSCHLAND in German 6 Dec 89 p 6

[Report by Dr Walter Schmidt and Harald Rost, heads of the Economic Reform Working Group of the GDR State Planning Commission: "Discussion Proposals for Starting Economic Reform in the GDR"]

[Text] The GDR is currently experiencing the most serious political and economic crisis in its history. It had become ossified in obsolete Stalinist structures. A revolutionary uprising by the people was needed to shake up these power structures. In this situation, when everything is subject to question, any consideration for the reform of the economic system in our country should be directed toward linking the efforts to handle the crisis with the preservation of the GDR's national existence and its socialist character.

Because they were tied in with the ossified structures of society as a whole, the hitherto valid contexts and methods of the management, planning and economic stimulation of the GDR national economy increasingly clashed with the requirements of the economic laws governing modern productive forces. The unwarranted expansion of central decisionmaking authorities brought about a situation of economic irresponsibility, leaving a

wide scope for the burgeoning of subjectivism, voluntarism and waste, to the neglect of the need to maintain an economic balance and, lastly, to the abuse of political power for personal enrichment. Consequently, the context and method of management, planning, and economic stimulation of the GDR economy substantially contributed to the crisis that has now surfaced. The former structures of society and the undue centralization of the economy were interrelated and provided mutual support. Whatever slogan launches it, any attempt at merely cosmetic change will inevitably and quickly result in economic collapse and, therefore, the dictates of major Western banks—and ultimately in the GDR being swallowed by the FRG, something Federal Chancellor Kohl openly put on the agenda as the goal of his policy. This we cannot allow.

In this situation it is imperative to arrive at rapid and courageous decisions for the thorough and consistent democratization and renewal of management, planning, and economic stimulation that will create the necessary elbow room for more efficiently structuring the GDR economy and involving it more directly in the world economy.

Our goals need to be:

- To focus on the needs of the people—not just by means of fine phrases as has been the case until now, but as a compelling reality, and
- To exploit the full potential of the GDR and concentrate all our strength on stabilizing the popular standard of living and, depending on the growth of productivity, gradually improving it. At the same time we consider the necessary diminution of subsidies for products and services needs to be combined with a productivity-related rise in incomes and individual benefits.

It is imperative to broadly develop the various types of ownership in accordance with the actual status of the socialization of productive forces in the GDR and the latter's involvement in the international division of labor—taking into account the economic and political balance of power—as well as improve the motivation of the working people in all sectors of society.

1. Social ownership in its manifestations

a) As state ownership: To establish the awareness of individual participation in such ownership, we need to seek suitable methods of profit-sharing by employees (including the sale of bonds or stock); within the framework of state ownership we need to develop types of local ownership of enterprises and facilities subordinated to local councils.

b) As cooperative ownership in its traditional as well as in new and suitable types.

2. Private ownership in its manifestations

a) As individual ownership.

b) As national capitalist ownership.

c) As joint ventures with foreign capital within the framework of corporations, companies with limited liability or other types.

3. As mixed ownership at national or international level.

Private and mixed ownership will further develop from earlier types of social ownership and also by means of the establishment of new firms. We assume that the preservation of the predominance of social ownership will remain an essential principle of our socialist economic policy, so that the free development of socialist and private entrepreneurship may be subject to democratic supervision by the people with respect to the social orientation of production and to codetermination by the employees of economic units, so as to prevent the abuse of economic power.

Following the widespread development of the various types of ownership, differentiated methods of economic organization are bound to emerge. Enterprises will have to take a far more active part. Depending on the extent of efficiency achieved, combines, corporations, and various cooperative facilities will be forms of concentration. Side by side with the developed forms of concentration there will be many medium and small enterprises of various forms of ownership, especially in the processing industry, crafts, agriculture, local business, and the services sector (including municipal facilities).

Our conception of economic reforms must therefore assume that economic units will

- Enjoy complete juridical and economic independence;
- Earn the money for reproduction in marks and foreign exchange;
- On their own responsibility use the profit remaining after the payment of taxes and contributions;
- Set salaries and wages payable to their employees, within the framework of the term of standard wage contracts to be negotiated by ministries, labor unions, and managements
- On their own responsibility coordinate and contractually agree with the respective local territories on their relations arising from economic links established by taxes and contributions payable.

We must aim to consciously utilize as motivating factors the conflicts of interest between

- The management of the economic units based consistently on economic principles for the improvement of productivity and efficiency;
- The economic and social interests of the enterprise collectives, and
- The state goals for development as a whole.

In this situation, government economic policy must be resolutely deprived of its administrative form and redirected to economic and juridical methods. These latter methods essentially consist of

1. The setting of financial framework conditions for the economic operation of economic units and regions, such as guidelines for

- Price formation (to be oriented to world market prices);
- Standards, levies, taxes, customs duties;
- Import/export balances on the basis of payments received;
- Credit policy, and
- Exchange rates.

2. The setting of legal framework conditions for the independent operation of economic units and regions, such as

- The legal definition of the economic units;
- Labor law;
- Tax law;
- Contract law (with special emphasis on business contracts);
- The legal base for the international division of labor and cooperation, and
- The legal regulations for the observance of minimum standards for safety at work and environmental protection.

3. The government-enacted socioeconomic directives, programs and state orders to be contractually agreed

- For selected production and supply tasks;
- For science and technology;
- For investments;
- For the observance of government treaties, and
- For guaranteeing national defense.

It will be necessary for the time being to continue working with quotas or balance parts with respect to selected energy sources, raw materials and other materials. As the socialist market economy progresses, these controls will be gradually removed.

Within this framework the economic units will be able to independently decide the organization of their product range, based on the situation of the market.

We are well aware that economic reforms need to proceed step by step. However, this must not be allowed to result in delays ascribed to pressure of immediate tasks. On the contrary—we have to at once tackle reforms.

The State Planning Commission is therefore engaged in working up detailed materials to be submitted to the public for discussion. They are as follows:

1. A critical analysis of the former economic system and an assessment of the reasons for the economic crisis in the GDR.

2. A thorough study and assessment of the experiences gained by the USSR, other socialist and some capitalist countries with respect to economic reforms, complete with conclusions for our work in the future.

3. The precise definition of the basic features of the economic mechanism of a planned socialist goods production with respect to the following points:

- The determination of the controlling tools of state economic policy (financial and legal framework provisions, state orientations, programs and orders);
- The definition of the rights and duties of economic units with respect to their various types of ownership and organization and in the new situation;
- The determination of the legal prerequisites for the establishment of private firms as well as for the operation of foreign capital in the GDR;
- The definition of the new role of the banks as business partners of the economic units of varying types of ownership and organization, and
- The determination of the new relations between the Council of Ministers, the State Planning Commission, the ministries, the regional organs, and the economic units.

4. Working up a conception—coordinated with the material situation—of official price, subsidy, income, and taxation policy and the determination of outline directives for standard wage negotiations.

5. Planning the steps and the prerequisites needed to make the GDR currency convertible.

6. Drawing up economic strategies for the decisive structural policies for the definite improvement of economic efficiency, the abolition of national imbalances and the internal and external debt of the GDR as well as for the improvement of the regional and social infrastructure and environmental controls. On this basis proposals are to be elaborated for the deployment of our own powers of accumulation and for attracting foreign capital or other external sources for accumulation.

7. The organization of the responsibilities to be assigned local people's representations and their councils for economic and social development in the regions.

8. Conception of the main orientations and steps needed to reform agriculture, forestry, and the food industry in coordination with reforms in the other sectors of the national economy.

In all cases priority needs to be accorded the preparation of measures that must be initiated and made effective in 1990. We are profoundly interested in discussing these starting points for economic reform in the GDR with all interested parties, organizations, and social forces. To be successful, economic reform requires a social consensus.

HUNGARY

Letter to Finance Minister: Send Me a Rope!

25000563 Budapest *MAGYAR NEMZET* in Hungarian
15 Dec 89 p 6

[Open letter to Laszlo Bekesi, Minister of Finance, from pensioner Laszlo Kezdi: "In Today's Mail"]

[Text] Minister of Finance Laszlo Bekesi!

I am turning to you with the following respectful request: With the Christmas bonus of 2,000 forints coming to me sometime between the 10th and 18th of this month, please also send me an appropriately long and sturdy rope as an extra gift. I do not think I need to detail what purpose this rope will serve. Allow me to describe the reason for my request.

By way of introduction, my pension at present is a generous 5,300 forints, which I have earned through 42 years of work and 6 years of pension supplements.

After 13 years of patient waiting I obtained a 52 square meter [560 square foot] cooperative apartment, and with a down payment I got a 35-year mortgage according to terms then in force. The expenses associated with the apartment (mortgage payments, required insurance, shared coop fees, gas, hot water, heating, electricity) run to 3,500 forints per month. According to government plans, they want to raise the price of gas and electricity, this means at least an extra 500 forints per month. Starting next February [1990], they are planning to introduce credit taxation [tax imposed on mortgage loans with artificially low interest rates] on property mortgages, 800 forints monthly. So far all this adds up to 4,800 forints. Medicine is going to be increased by 80 percent, the cost of mass transportation by 45 percent; this will mean an additional 200 forints. To sum it up, from the monthly 5,300 forints I will have 300 forints left for food, clothes, and a decent human life. The planned increase of 800 forints in pensions from January is going to be exceeded by far by the various future price increases (15-20 percent). I cannot imagine anyone who is able to live on 300 forints a month. I cannot bring myself to steal, rob or cheat; neither my parents, nor my teachers taught me how to do these things; my pride does not allow me to beg, so I do not have any other choice.

Respected Mr Bekesi! Because of the above reasons, and to lighten the burden on the state budget, I repeat my request: Please issue the extra bonus, a strong rope, to me.

Thanking you in advance,

Laszlo Kezdi,
(Budapest 1119
30 Szakasits A. Street VIII/67.)

POLAND

Central Soya Establishes Joint Venture With Poland

90EP0188A Warsaw RYNKI ZAGRANICZNE in Polish No 127, 24 Oct 89 p 5

[Article by "JS": "Assistance in Raising Polish Livestock"]

[Text] Central Soya is an important Netherlands-American company operating in the food and agriculture sector. Part of Feruzzi, an Italian grain firm in Ravenna, it is a world leader in the processing and sale of soy beans and soy products, such as oil and meal. Central Soya has its headquarters in Fort Wayne, Indiana, but its 50 plants are scattered all over the United States and include eight ready-mixed fodder plants, ten oil production plants and refineries, and six soy protein plants. There are other factories operating in Canada, the Netherlands, Belgium, France, and Portugal. Through joint ventures and cooperation arrangements of various sorts Central Soya has part ownership in fodder mix and concentrated feed plants in many European countries.

Central Soya's market leadership and competitiveness are based on its own advanced scientific research support. It has a large staff of scientists and specialists working in modern laboratories and experiment stations. It is currently devoting the greatest attention there to biotechnology and genetic engineering with a view to tapping these branches of science for the benefit of livestock raising.

The contacts with Polish Central Soya began back during the mid-1970's. Initially there were deliveries of poultry feed mixes. In the 1980's the major attention was given to raising the effectiveness of raising hogs in Poland. Pig farmers began receiving consistent training in the feeding of hogs. Deliveries of prestarter mixes for piglets and concentrated feed for sows and gilts were increased. More than 100 state farm complexes and a host of specialized private farms are receiving them.

Central Soya often sends its specialists to Poland, for example, under the auspices of discussions or symposiums that are set up. It also gives large groups practical information on recent progress in the raising and feeding of livestock.

Central Soya's presence in Poland has borne fruit in the form of a coproduction agreement, which led to the creation of the Central-Soya Rolpol, Inc. Partners in the joint venture are Central Soya Rotterdam and Osnowo Farm Production Cooperative. The purpose of the company is to produce concentrated fodder and to introduce modern technology in the feeding of livestock on the farms of Polish breeders.

Central Soya has been a constant participant in Polagra from the very beginning. The active stance of the delegates staffing the information booth and its promotional drive are among the ways Central Soya's position is being further bolstered in Poland.

YUGOSLAVIA

FEC Vice President Mitrovic on Economic Policy

90EB0120A Skopje NOVA MAKEDONJA in Macedonian 28 Oct 89 p 3

[Interview with Aleksandar Mitrovic, vice president of the Federal Executive Council, by Tatjana Stankovic: "The Harsh Reality"; date and place not given]

[Text] The program for resolving the crisis, on which the Federal Executive Council [FEC] has been working starting with its mandate, is actually a new concept for the overall socioeconomic development of the land. This new concept implies changes in our socioeconomic system based on the development of an integral market, the strengthening of economic mechanisms and more efficient and more rational management, greater independence and responsibility of the economic subjects, and the overall further development of political democracy. Their objective is the faster freeing and energizing of all development forces of society and all available material, scientific, skill and work potential and, on this basis, the elimination of stagnation in development, and initiating the process of building a new economic structure and mastering social problems and, naturally, halting and reducing inflation firmly. All of these definitions and many extensive radical moves of the FEC remained, nonetheless, in the shadow of the faster price increase. For that reason we asked FEC Vice President Aleksandar Mitrovic for answers on the extent to which the current inflation is influencing the formation of the government and its program and the forthcoming measures.

[NOVA MAKEDONIJA] The demand that the FEC formulate an overall anti-inflationary program was not followed up with specific requests as to what should such a program include. Nonetheless, based on the resolutions of the Yugoslav Assembly, the FEC must draft such a program as rapidly as possible. Before Markovic, the FEC president, gave his original view on this matter. Does this mean that the FEC is changing its way of thinking and policy or perhaps is giving a different interpretation to this program?

[Mitrovic] Above all, the FEC clearly said at the time the program for economic policy measures for that year was being ratified, that the program includes only the basic trends of changes and ways of solving interrelated economic policies in the various areas. At no time was this program considered final. To the contrary. We are emphasizing that it remains open so that any of its features may be adapted according to the intensity, nature of steps, the economic situation, and the results of the steps which were taken. Accordingly, it is not a question of a different view on this program but above all a question of dealing with the present economic situation. The fact that the president of the FEC stressed that preparations are under way to complete a program for the elimination of inflation, which will be submitted after a review of its necessary quantitative and qualitative aspects, is a different matter. The steps which have already been taken and suggested, however, should provide the necessary prerequisites to this effect. Unquestionably, all the steps that have been suggested in terms of the system and the area of current economic and development policies are of an expressly anti-inflationary trend. The problem is that frequently concealed behind the search for an overall anti-inflationary program is a search for the implementation of a certain

number of partial economic objectives, frequently justified by the nature of the times and the pressure of the difficulties existing in some circles in the implementation of the economic reform.

[NOVA MAKEDONIJA] All those who speak of breaking the back of inflation within a short time are ready to swear that they are not thinking of any administrative measures or freezes and quite frequently refer to various examples existing elsewhere in the world. Do you believe that some of these prescriptions could be applicable in our case?

[Mitrovic] There has never been a case of halting inflation within a short time without taking greater or smaller administrative measures and eventually freezing certain economic categories, regardless of material restrictions and without the necessary social consensus. In any case, considering our circumstances, a social consensus is needed, particularly given the current political and economic situation in the country. This is obviously a difficult task, bearing in mind the many obstacles, difficulties, and problems which we are encountering in the implementation of the overall program. We find here also a number of vestiges of the past and many grave new risks.

Officially, the consensus has been reached and, in practical terms, put into effect. Nonetheless, a number of obstacles have been erected in the implementation of the stipulations and there have been a number of difficulties and other problems due to lack of preparedness for coping with the reality and insufficient courage to undertake decisive changes.

[NOVA MAKEDONIJA] In a number of circles, galloping inflation, to say the least, has triggered discontent among the people, who find it difficult to handle price increases. Do you think that the greatest boost in the development of a "psychological inflation" is provided by those who are most loud in their demand for its elimination and in criticizing the FEC? Could it be that, actually, it is not a question of throwing sand in the eyes of all dissatisfied citizens?

[Mitrovic] Obviously, it is a question of strong inflationary expectations which, under the conditions of such a fast price increase, are increasingly boosting inflation which apparently does not react to short-term changes in correlations among relevant categories. Under those circumstances, the production process adapts to the reduced demand almost exclusively by reducing its volume of output. Nonetheless, it is clear that this inflation is not the result of something that happened today but of a long worsening of the basic conditions of reproduction and the intensification of numerous macroeconomic imbalances. Currently inflation is already automatically reproducing itself, closing the circle between the drop in production, lowered economic management efficiency, intensification of expenditures, and steadily rising inflation and decline in demand. That is why inflationary expectations become a significant

factor in the acceleration of inflation regardless of its actual causes. That is precisely what happened with the sudden inflationary leap last September, which was triggered to the greatest extent by the psychological factor and the inclusion of the cost of inflationary expectations within the prices. It was precisely the arguments in favor of freezing prices and personal income and doubts and fears that the FEC may use such measures that had probably a strong influence on the escalation of prices and inflation. Furthermore, as you mentioned, contributing to the psychological situation are all those who today have the ability—who still hold a monopoly and are dissatisfied with market conditions—to profit from their position.

[NOVA MAKEDONIJA] Could you point out what the authorities consider a decisive step in ending the inflation?

[Mitrovic] The FEC believes that an entire array of timely steps is needed to stop the inflation. They must be taken, and work is being done on them. Above all this applies to the inclusion of inflationary expectations in prices of those elements which could be influenced by measures in the area of the economic system and economic policy. Steps are being taken to prevent the estimates of the cost of credit from being included in prices, and profiting from credit instruments, and to ensure a realistic assessment of the balance of failures and successes, and the updating of the payment of taxes and contributions rather than taking other measures. A significant part of this policy is the implementation of a restrictive monetary policy above all, aimed at reducing the emission of cash and credit. Work is being done also on reducing budgetary and extrabudgetary costs on all levels, followed by identifying the deficits in the main sector and eliminating their real sources and improving the deficit situation in the banks and the economy. We are also looking at the various modalities for eliminating the reasons for excessive interest rates without making questionable the orientation toward a policy of realistic interest rates. Personal income is being linked to actual output and not to the dynamics of prices and the cost of living. The FEC believes that the overall set of steps taken to further liberalize imports, consumer goods in particular, is of particular importance. It would ensure greater competitiveness, enhance the role of commodity reserves, and encourage measure to promote competition among economic areas and block monopoly relations.

[NOVA MAKEDONIJA] An entire package of anti-inflationary measures was presented at the National Assembly but reaching an agreement is proving to be extremely difficult. What, in your view, are the reasons for such slowness?

[Mitrovic] Wherever material restrictions play a key role, their indirect consequence is lack of preparedness for change, caused more from fear of losing positions in the economy and power than the fear of a further worsening of the situation. Nonetheless, the problem of

material restrictions is being gradually resolved above all through the elimination of the numerous barriers in the system as a result of the introduction of pluralism in ownership and the integrity of the market. Major unused reserves and opportunities remain for involving additional funds by stimulating the use of the savings of citizens and enterprises for investing in new enterprises, more active work, and participation. Extensive possibilities are also found in the huge public housing assets, in which it will be possible to purchase publicly owned buildings, above all by tenants, and by stimulating loans for the building of new housing. The FEC will soon make such proposals public.

[NOVA MAKEDONIJA] Some delegates consider that the steps formulated by the FEC are not specific or sufficient. They are too simplistic, without any quantification and therefore cannot yield results. Could you comment on such remarks and tell us where the FEC is specifically looking for the proper sources of funds needed to compensate for the tremendous deficits?

[Mitrovic] Above all, financial deficit must be identified wherever it exists. This applies to the public sector, the budget expenditures, and expenditures of the self-governing communities, as well as deficits of banks and in the economy. Before the end of the year the overall amount of such deficits will be established. The measures which are being drafted will, above all, make an increased deficit impossible, starting with next year; at the same time, financial improvements will be undertaken, naturally on a realistic basis. The nature of the deficit will also determine the source of funds to cover it. A variety of means and sources for covering the public sector and different means relative to banks and enterprises will be applied. Such sources must be realistic, which will mean much lower expenditures, a proper and efficient income and fiscal policy, and an entire series of other steps. Without real sources there would be further worsening in the functioning not only of the financial but also the overall economic system in the country. Work is being done on this entire set of problems and the decisions will become known before the end of the year.

No major problems are expected in undertaking the improvement of the banks. In this case it will be necessary to coordinate the activities of enterprises, banks, and the public—the political units and the Yugoslav National Bank. The improvement of the banks will be ensured on a realistic basis, which may mean writing off enterprise and bank debts, reprogramming the bank claims from enterprises, buying out the debts by the OPZ [general economic cooperatives] and the Yugoslav National Bank, with or without discount of the uncollectable claims of banks, debts to be repaid within a specific time, followed by the recapitalizing of banks and enterprises with fresh funds by the new owners, both domestic and foreign, the possibility of "crediting" payrolls by the banks, and others.

[NOVA MAKEDONIJA] The adoption of the FEC concept on the market economy in economically underdeveloped republics and the Kosovo area will have further consequences. Could such consequences have been prevented had a financial consolidation been carried out on time?

[Mitrovic] The succession of moves, at any rate, is exceptionally essential, particularly from the viewpoint of the target to be achieved. The FEC ascribes tremendous importance precisely to the sequence of the steps. We owe the present results to the choice and sequence of the steps which we modestly speak about, including the suppression of inflation; other aspects must not be neglected and should not be encouraged in the future.

An anti-inflationary and a restrictive policy, a policy of reducing the cost of the real sources, set within a realistic framework, always affects more strongly the less-developed entities; however, a longer inflation will also impoverish them. The FEC takes this into consideration and is drafting specific steps aimed at financial consolidation, redeeming debts, and reducing external indebtedness; it is drafting a new concept for the underdevelopment fund, for even the highest share of the public debt is due to the deficits of underdeveloped republics and areas.

[NOVA MAKEDONIJA] The stressed economic structure in the economically underdeveloped republics and

in Kosovo could surely be changed with a number of more or less painful measures. Is the commitment of the FEC and of the president himself on the subject of "Feni" an example of the way the Federation can assist in making such changes? What are your views on the future of "Feni?"

[Mitrovic] Surely, the faster development of the economically underdeveloped areas of our country is of vital interest in terms of the faster progress of the entire country. That is why the FEC believes that in many areas we must take into consideration their specific nature and, to the extent of the possible, encourage the already initiated processes of revitalizing their economy. To be sure, the commitment of the Federation in the "Feni" case meant that the Yugoslav National Bank undertook to buy out the debt and reduce the present bookkeeping price of "Feni" and significantly promote the consolidation of the foreign debt of the Macedonian Socialist Republic.

In the present circumstances, the battle against inflation can be won only by taking a timely series of measures and pursuing a systematic microeconomic policy. That authority has formally reached a public consensus. However, it is encountering a number of difficulties and resistance in the implementation of its program. Inflationary expectations are becoming a significant factor in the acceleration of the inflation.

HUNGARY

NEPSZABADSAG Probes Abortion Issue

Pro-Life Group Formed

25000555 Budapest NEPSZABADSAG in Hungarian
30 Nov 89 p 4

[Unattributed article: "Fetus Protection Society—Whom is Czeizel Harming?"]

[Text] "Each year, Hungary's population diminishes by a number equal to the population of Szekesfehervar." This is the first sentence of the introductory pamphlet published by the Fetus Protection Society established in mid-November.

The group of 300 members has as its immediate objective to fight operative abortions, to protect the lives of fetuses, and to encourage live birth, journalists appearing at a press conference were told yesterday. They plan to provide a temporary home for expectant mothers in endangered situations. In their view, a human being exists beginning at the moment of conception. Such human beings have a right to develop in the womb and to be born. According to data provided by the Society, more than 5 million abortions were performed in Hungary between 1954 and 1986.

The Society objects to present provisions governing abortions, and the kind of educational work performed by Endre Czeizel, for example. They regard his views concerning abortion as contradictory, it was stated at the press briefing. Some debate ensued between the presidium of the Society on the one hand, and journalists on the other, with regard to views on the relationship between a person's willingness to bear a child and her social situation. In the presidium's view, the fact that a person has two children already is insufficient social grounds to justify the termination of pregnancy. The Society is also planning to offer assistance by telephone, as well as counseling. Letters to the Society should be addressed to: HNF, 1360, P.O. Box 6. Telephone: 112-4739

Ethical, Medical, Legal Issues

25000555 Budapest NEPSZABADSAG in Hungarian
9 Dec 89 p 24

[Article by Sandor Rege: "Are We Masters Over Life and Death?"]

[Text] One estimate holds that 4.5 million abortions have been performed in Hungary since 1950. This is a frighteningly large number. Could there be many more Hungarians on earth? And if so, would that number increase our dignity or our miseries? The response is debatable. And yet, the fervor of the struggle surrounding abortion remains unchanged.

Abortion War

"I am not a murderer. I never felt like one just because I had four abortions. I should be blamed possibly because love means a lot to me, and because I would not be able to live without a man. I never tolerated any restrictions in any respect. I was brought up that way, most likely."

A woman in her forties. It's her fifth marriage. She initiated all the divorce proceedings. She is filled with explosive energies and the idea of controlling those energies does not even occur to her.

[NEPSZABADSAG] "What responsibility does one have for life?"

At first she responds by grimacing.

[Answer] "I have a right to make decisions concerning my own life. I am not interested in public perceptions, and I do not give in to any extortion. There were five brothers and sisters in my family. My parents were never happy, and they destroyed themselves for us. I have a right to reject fate and to choose the freedom of life."

[NEPSZABADSAG] "And the freedom of the fetus? You never thought of that?"

[Answer] "I did not, in the end. At most I thought of it to the extent that I was certain that that child would have an unfortunate life with me. And I have no right to destroy someone else's life. The possibility of being forced to bring up a child always bothered my conscience."

[NEPSZABADSAG] "Then why didn't you protect yourself?"

[Answer] "Because that also constitutes coercion. I like what's natural in regard to everything, no one should restrict me with pills and calendars. I acquired the full rights of a woman 25 years ago, and I had to exceed to this forced action only four times. Considering this, don't you think I'm right?"

* * *

Abortion grew into a focal problem on an international scale after World War II. The second part of the 20th Century is the age of human liberation, and although abortion is being approached from several aspects—ranging from Christian ideology, through communist state theories, to nomadic natural perceptions—it is impossible to decide the essential debate, just as it is with regard to euthanasia. In many respects, the freedom not to be born is related to the freedom to choose a happy death.

Last fall Hungarian Television presented a show called "Silent Scream." This motion picture shows what happens to a fetus in the course of abortion. Allegedly 90 percent of women preparing for an abortion to whom this motion picture was shown changed their minds after seeing this movie.

"This movie evoked great shock," according to Dr. Gyorgy Garamvolgyi, executive secretary of the Hungarian Scientific Society for the Protection of the Family and of Women, at the ambulatory care section of the No 2 Gynecological Clinic. "This shock could be felt in the number of cases. I am against scaring women. Abortion constitutes a spiritual burden to women anyway, they think it over a thousand times and have troubled, sleepless nights because of it. It is obvious that they are seeking justification and absolution from the world. Nevertheless, the cessation of pregnancy is the final means."

[NEPSZABADSAG] "Compared to that, the number of abortions is high: about 80,000 per year. Does it have to be that high?"

[Garamvolgyi] "Obviously not. Women must be convinced not to accede to this process so easily. But they need not be frightened. The termination of pregnancy must be left to women as an ultimate choice."

In the course of writing his dissertation Dr. Garamvolgyi conducted research as to what people make this ultimate choice for what reasons. One of his findings was that about half the women seeking abortions were 30 years or older. On this basis he drew the conclusion that within this age bracket the matter of preventing conception has not been resolved, and that advice provided to this group was inadequate.

[Garamvolgyi] "Given well-chosen social policy measures, women of this age could be persuaded to retain their fetuses. That is, a majority of women would like to have the child if that child would not render their lives impossible."

It is not true that there has been no change, Garamvolgyi says. There are fewer occasions in which women become pregnant, and since 1973—the year following the Ratko era when on the basis of a party resolution the first law affecting the population was enacted—the artificial termination of pregnancies dropped to one-third of the original number: from between 190,000 and 200,000 abortions per year, to between 70,000 and 80,000. This reduced number is also too high, according to Garamvolgyi.

Paternal Responsibility

"I am responsible. I was not aware of this all the time. But then my girlfriend—she was married—became pregnant. She has two nice daughters. I would have been happy if she retained the child, at the same time I opposed it because I could have never been the father of that child. This created total schizophrenia in me. I wanted her to abort that child, but at the same time I imagined myself in the place of that fetus. I experienced the feeling of being murdered. In the end the operation did take place, and our relationship ended with that. Marta could not look at me anymore. She regarded me as guilty."

[NEPSZABADSAG] "Why didn't you use contraceptives?"

[Answer] "We did. And it still happened. I don't know how it happened. I did not believe in pharmaceuticals even before that. During our relationship my girlfriend brought up the idea of having herself sterilized because she did not want to give birth to any children anymore. But she only toyed with that idea."

[NEPSZABADSAG] "Accordingly, this is how you got the idea of terminating your ability to father children, by way of an operation."

[Answer] "Yes, perhaps. Although I never thought through this matter in this way. I said that I once felt what that fetus felt. This shock, the fact that a life is extinguished because of me, the fact that I am causing someone to be murdered because of my carelessness, prompted me to take this action."

[NEPSZABADSAG] "How come each year 80,000 men in this country do not have similar feelings?"

[Answer] "I am unable to respond to this. I respect motherhood, and I was terribly shocked by the fact that my girlfriend left me because of an unwanted pregnancy. Even though we loved each other very much."

[NEPSZABADSAG] "Did they sterilize you, in the end?"

[Answer] "I went to a urologist but the doctor dissuaded me. He said that sterilization was a simple operation, but once it is done, its consequences cannot be changed. This is what made me change my mind, after all I just passed the age of 20 in August."

* * *

Public education is expected to produce the greatest results in the prevention of unwanted pregnancy. All experts agree on this. But from that point on, the viewpoints are highly diverse. Advocates of one concept find their starting points in individual rights to freedom. This is how the 1-year-old Fetus Protection Society feels. It is an off-shoot of the Association of Persons with Large Families.

"Every man's rights extend to the point that they do not restrain the rights of another man," according to Gyula Lak, chairman of the Society and a father of four.

"Law seeks justice. Justice is none other than to give to each what he is entitled to. Since life begins with conception, a fetus has the right to exist based on the principle of justice," Dr. Miklos Vass, the Society's expert physician says.

We are crowded into a small room in the doctor's office on the first floor of a children's health care home. By now, many are aware of what the adjective health care means before the term children's home. These are

injured, handicapped children who require special treatment and care. This scene adds a special backdrop to the conversation.

[Lak] "We would like to place the value of life in its proper place. Incidentally, a fetus has legal standing according to Hungarian law; it is capable of inheriting, for instance. The whole world knows about the Australian mother who lost her fetus so that she, rather than the fetus could collect an inheritance."

[NEPSZABADSAG] "How do you regard maternal rights?"

[Dr. Vass] "The mother was not empowered to render decisions with regard to life," the doctor tersely states his view. "By virtue of conceiving she achieved the dignity of motherhood, to nourish, to carry, to give birth to her child."

[NEPSZABADSAG] "Does that child not restrict the mother's freedom?"

[Dr. Vass] "It does not. If human life is the greatest value, everything must be placed in the service of that. A mother acquired all her rights on the grounds of being alive. But on this basis she acquires no right to dispose over someone else's life. She would be saying that she had the right to live, but that other person did not, if she said that. In other words, she would say that the highest value is the human being, which is I: I will accept another person if that person is convenient for me, I will reject him if he is not. Mother Theresa of Calcutta observed that moral decay follows wherever abortions are permitted. Albert Schweitzer said that if we do not respect life under special circumstances, this will be naturally accompanied by a decline in respect for life. The opportunity to have an abortion diminishes respect for life. We place respect for life in the first place."

The Law of Justice

"My husband wanted it. He was always jealous, and he always wanted proof of my fidelity. He told me that I would prove my fidelity by giving birth to his child."

[NEPSZABADSAG] "So that's why?"

[Answer] "I became pregnant, even though I knew in advance that this would not suffice for him. Because from the moment that I stopped having a period and I revealed to him that fact he began tormenting me by questioning whether he was indeed the father. You unfortunate creature, I told him, here's the proof, is this enough?! I got drunk that evening, and I'm not ashamed."

[NEPSZABADSAG] "And did that help?"

[Answer] "It helped me decide on the following day. I felt awfully bad and I decided to have an abortion. I told him so. I knew that he would beg me, and I knew that this would do in for him. And I enjoyed it, and I was glad to go to the operating table, and I was happy to have his

child aborted. Am I evil? This would have been our first child, and now I must count on the possibility that perhaps I can never again have a child. My husband started divorce proceedings, and I am relaxed."

* * *

From time to time, in the doctor's office one could hear characteristic guttural voices, the noise of intermittent steps from the corridor of the children's home. The next question lends itself naturally:

[NEPSZABADSAG] "And what if the fetus is sick? What happens to the right to be born healthy?"

[Dr. Vass] "That is also a right. The fetus has a right to be born healthy, but if he is conceived sick, he also has a right to be born sick. The mother must provide the opportunity and the right for the child to be born healthy."

[NEPSZABADSAG] "Public views are shaky in this regard."

[Dr. Vass] "What is the public view? We at the Fetus Protection Society believe that for the time being we do not know who agrees with us, therefore we are unable to accurately know what the public thinks."

[NEPSZABADSAG] "By not having the right to have an abortion performed, do they say that they have no right to err?"

[Dr. Vass] "I have no right to err, but the unfortunate consequences must be borne."

[NEPSZABADSAG] "And what is the case if I harm the child by bringing him to the world? What if he will suffer from hunger?"

[Dr. Vass] "I will not suffer from hunger if they beat me to death. But is this the way to prevent hunger?"

[NEPSZABADSAG] "But what if the conditions for bringing up a child do not exist?"

[Dr. Vass] "It is true that one should reach a decision only if the freedom to decide exists. Nevertheless, it is incumbent upon me to make the proper decision. And this I must consider in advance."

[NEPSZABADSAG] "And what if someone becomes a mother as a result of rape or incest?"

[Dr. Vass] "Am I supposed to kill a child if someone shoves a child through my door and leaves it there? A fetus has the rights of a guest in the mother's womb. And if I do not have the opportunities in society to retain that child, there are a great many people awaiting adoptive children, or who agree to bring up a child, but in the ultimate case society must agree to bring up a child."

[NEPSZABADSAG] "But humanity is struggling against overpopulation."

[Dr. Vass] "In the early 1980's scientists established the fact that the intensive cultivation of areas used in those days could feed about 12 billion people."

Dr. Vass' quick replies suggest the following final question:

[NEPSZABADSAG] "Should everyone have to accept your views?"

[Dr. Vass] "Everyone is obliged to consider this matter. Because searching for the truth is an obligation. And unless someone is able to refute our beliefs, he is obligated to accept our truth."

[Lak] "Despite this fact we respect the views of others," Lak adds quickly. We do not endeavor to accomplish a forcible change in present perceptions. We would like to spread our views by convincing people."

The Ultimate Means

"Men are irresponsible. they do not care about women, they do not care about the consequences. They are extremely selfish. I also fell victim to this. My mother tried to persuade me to retain the child. But I wanted to get married. Having a child would always deny me this opportunity."

[NEPSZABADSAG] "You would not have been the first unwed mother."

[Answer] "Mother told me that at one time the watchword was that 'it is the duty of married women to give birth, and it is glory for single girls to give birth.' But that was a lie."

[NEPSZABADSAG] "This is why one should consider this in advance."

[Answer] "You talk just like my mother. This is an adult disease, it seems. They constantly preach about responsibility. Leave me alone with statistics, don't hold me accountable for Hungary's population."

[NEPSZABADSAG] "Did you think of this when you lay on the operating table?"

[Answer] "No. I was crying. I also have a desire to become a mother. But I am forced to make a choice if I cannot be both happy and a mother at the same time."

* * *

[Garamvolgyi] "It is interesting that the ratio of those seeking abortion between the ages of 15 and 19 holds at a stable 10 percent. This ratio accurately reflects the fiasco of education and of the family, and the problems of partner relationships. I'm not saying that they must give birth. I am suggesting that they ought to protect themselves instead. We would like to respect women's rights of having access to this ultimate means. This is why we envision the solution in the framework of

education. For this reason it is shocking how few specialized counseling services there are for youth in Hungary."

He places before me the map he prepared as part of the dissertation. According to that map, Budapest has 7 such counseling services, Pest County has one, Heves County has none. And in general, each county has only one or two.

[Garamvolgyi] "Prohibition is not the solution."

[NEPSZABADSAG] "Do you regard abortion as murder?"

[Garamvolgyi] "A fetus indeed has rights. But from what point it has rights must be clarified by science. Our Society would be pleased to engage in mutual discussion concerning this matter. But I would be unable to support discriminatory, administrative measures. Nor could I support spiritual extortion."

Privately Owned University To Be Established

25000554 Budapest NEPSZABADSAG in Hungarian
1 Dec 89 p 7

[Interview with Laszlo Fekete, scientific associate, Hungarian Academy of Sciences, Eastern European Research Group, member of the New University Association and one of the organizers of Corvin University, by Eva Gyarmati Szabo, on 30 November in Budapest: "A Private University is Born—Along Western European Patterns—Multi-Lingual Education—100,000 Forint Tuition"; first paragraph is NEPSZABADSAG introduction]

[Text] Representatives of the New University Association briefed journalists Thursday concerning perceptions of the establishment of the first private university in Hungary. NEPSZABADSAG asked Laszlo Fekete, a member of the organizing committee and scientific associate at the Hungarian Academy of Sciences [MTA] Eastern Europe research group, about preparations for, and the most important tasks related to the establishment of Corvin University, scheduled to open next September.

[NEPSZABADSAG] Whose idea was it to establish a private university? Who are the organizers?

[Fekete] An article written by Ivan Horvath, an associate at the MTA Literary Sciences Institute appeared in the midsummer issue of the periodical "2000." The author explored the question of whether it would be worthwhile to establish a private university in Hungary. No one could tell whether there was a need for such a university, and if so, how great a need, nevertheless following publication of the article it was clearly proven that there was a need, and that the need was not even small. Within a few weeks 200 scientific researchers and university professors responded by saying that they would gladly support the realization of this idea. Some well-known

researchers and professionals agreed to direct the related work, including such persons as Elemer Hankiss, Maria Ludassy, Mihaly Szegedy-Maszak, and Erik Fugedi, to mention just a few. And various collectives of MTA scientific institutes also announced their support. We even found a professional to be responsible for tasks related to sports in Gyorgy Mezey, former soccer association captain.

[NEPSZABADSAG] Accordingly, even sports will have a place in the new citadel of sciences.

[Fekete] Of course. Consistent with the purpose of the original universitas, sports should not be missing from alongside the fundamental scientific fields. We must adjust ourselves to the Western European network of universities which functions on the basis of a uniform system, if we want our diplomas recognized beyond our borders, consistent with plans calling for a unified Europe. To accomplish this we would like to join the ERASMUS program which coordinates the activities of some 850 universities in Common Market countries in the spirit of unity.

[NEPSZABADSAG] If I understand you correctly, you are endeavoring to establish an elite university.

[Fekete] You could say that, but the essence is that we must observe very high standards if we want our university to be consistent with world standards. For this reason, for example, we will provide multi-lingual education, meaning that anyone applying to Corvin will have to attest to multi-lingual capabilities. Quite naturally, our multi-lingual character will also mean that we will also accept foreign students. We have already received some inquiries from the Netherlands. The new university will be the first private university not only in Hungary, but also in Eastern-Central Europe to utilize a new educational technology. We would like to introduce the tutorial system along British patterns, which is different from the system applied thus far. It demands a more personal relationship on the part of both students and professors. This system builds on independent learning and research on the part of students, and on the freedom of opinion.

[NEPSZABADSAG] Obviously, all of this will not cost small amounts of money to future university students. How much tuition will you charge?

[Fekete] According to our calculations, tuition will be 100,000 forints per school year, which does not cover even half of the actual costs. One should not forget, however, that not even today does higher education cost much less, except for the fact that a large part of that cost is paid for by the state.

[NEPSZABADSAG] Accordingly, will Corvin be the exclusive university of the rich?

[Fekete] That's out of the question. The establishment of a new kind of university demands a new way of thinking. One must accept, for example, that cities, institutions,

enterprises, and various communities will be able to pay for the education of individual students from foundation funds, among other sources.

[NEPSZABADSAG] In what way, and from what money will the university come about and operate?

[Fekete] The foundation represents our most important capital. Membership in the foundation is open to anyone. Great interest and a preparedness to help has been expressed both within and outside our borders. Nevertheless, to maintain high standards of education required for the performance of continuously emerging new tasks there is also a need for other financial resources, entrepreneurial ventures. We are evaluating these on the basis of foreign experience. And we will receive some support from the state, just like any private university in the world receives such support. At present, the most important state support we could receive would be a building designated for our use.

[NEPSZABADSAG] You do not even know where the new university will operate?

[Fekete] Along with other buildings we have applied for the Budapest 12th District headquarters of the Workers Guard. That building has approximately 14,000 square meters of space and could be remodeled according to our requirements. A few of the departments may begin teaching at the Corvin University if we receive that building. We would like to develop the full structure gradually by the mid-1990's, one that could accommodate at least 1,500 students.

[NEPSZABADSAG] A final question: Did you receive a permit to establish the new university?

[Fekete] Not yet, but I believe that we have all the hope of receiving a permit. According to an announcement made by the Ministry of Culture, small and large communities, organizations, and associations will be able to establish and maintain schools in the future. And further, preparations to change the education law are in progress. We hope that the new law will spell out the right to establish universities. All this favors our endeavors because they are consistent with new educational policy concepts.

Catholic Student Organization Established

25000557B Budapest NEPSZABADSAG in Hungarian
9 Dec 89 p 4

[Article by Gy. Sz. E.: "The Colors of Their Ribbons are: Red, Silver, and Green"]

[Text] The Danubia Hungarian Catholic Student Association held its first meeting on Friday. They chose the famous watchword of Rakoczi's struggle for freedom as their motto: pro patria et libertate—For the Homeland and for Liberty. Prior to the meeting they announced the goals and endeavors of the first post-1945 grass roots religious student organization at a press conference.

The Association was initiated by the students of the Budapest Piarist gymnasium, but its scope is not tied to a single school. Any active student age 14 or older may become a member upon accepting the Association's bylaws and complying with the conditions of membership.

According to the bylaws, the Association was established in order to revive old student traditions, and to foster and preserve the traditions of past student life. The Association has no political objectives. The ideals of stronger bonds of friendship, spiritual enrichment, and a conduct of life worthy of religious, Christian people also became part of the Association's tenets.

Member admission criteria are extremely strict: Only after a 6-month period of candidacy, and a year of freshmanhood can a student become a full-fledged member.

The Association received direct organizational assistance primarily from the Austrian Catholic High School Student Association. The fact that they chose the Latin name of the Danube is no coincidence: The river symbolizes their endeavor to become a link between similar student associations in Eastern and Western Europe.

The new organization also tries to be similar to its predecessors in its outward appearance. Several organizations of this kind existed prior to 1945. They will wear a blue cap, decorated by a red, silver, and green ribbon. A ribbon of the same colors will also be worn across the chest. In Western Europe each organization has different colors; this is why the members of these organizations are called the ribboned orders. In terms of their organizational name, and in designating various membership positions they chose the Latin language, just as their former associates. The Association will sustain itself from membership dues and donations.

YUGOSLAVIA

Survey on Wages of Officials, Professionals, Workers

90EB0122A *Belgrade BORBA in Serbo-Croatian*
1, 2, 3, 6, 7, 8, 9 Nov 89

[1 Nov p 5]

[Article by G. Djukic: "Less Than the Speculation"]

[Text] Instead of "Hello, how are you?" the greeting of Yugoslavs in the last year or two has been: "Hello, how much are you making?" Everyone, of course, knows this reality-joke. This mode of greeting has been imposed by the high rate of inflation and the shortage of money. The envelope which the Yugoslav brings home once a month, regardless of how private a matter it is, is a topic for all of us, both at work and at home, and in the pages of the press.

As a rule, our statistics are late, so that the most recent figures from the Federal Bureau for Statistics pertain to the net personal income of Yugoslavs received back in August. To recall, at that time it was 6,362,255 dinars. Slovenes, who at that time were earning 9,890,092 dinars (again on the average), departed from that Yugoslav average.

One particular question being asked at the present time is how much our officials earn, the top people in the country. Speculation quite often turns to this, especially since it is frequently rumored in our country that the dollar is the basis for computing personal incomes in certain large collectives. The story is also frequently passed around that some people, above all in the "newly fashioned" mixed enterprises working on the principle of joint ventures with foreigners, are receiving salaries in hard currency. Quite recently, there was a rumor that Ante Markovic, chairman of the FEC [Federal Executive Council], earns about \$1,000 when converted to foreign exchange. He himself said on a TV program that he was ashamed to say how small his personal income was. And the press then wrote that Ante Markovic does not receive those \$1,000 which the man in the street has talked about, but furnished the figure that his personal income amounts to somewhere around half of that amount, 23 million dinars to be exact.

The purpose of this series of articles which BORBA will be publishing is above all to provide information on the salaries of people in the most responsible offices in sociopolitical communities and organizations, but also about those in the economy and the noneconomic sphere. We have tried to get to these figures ahead of the statisticians.

It is no secret, those responsible for information say, and so far we have obtained figures on the September salaries of officeholders in a majority of Yugoslavia's sociopolitical organizations. And why not? Let us just recall: When Francois Mitterand took over the helm of the state, the French were not only informed how much he earned that very moment, but also how much he had in his savings account, what the value of his property was, and what all the most significant items that he possessed were. We will certainly not enter into details of that kind, but we are writing about earnings.

The base personal income in September, that is, not including past labor, of the chairman of the Council of the Federation of Yugoslav Trade Unions, amounted to 20,509,245 dinars, and the secretary and members of the presidium had starting salaries of 18,686,201 dinars. We should also say that this personal income did not include benefits of officials for any of those enumerated. Last month, the base salary for the chairman and members of the presidium and the secretary of the LCY [League of Communists of Yugoslavia] Central Committee was 22,788,000 dinars, and the executive secretaries each received 18,686,200 dinars. The September pay envelope of the chairman of the SAWPY [Socialist Alliance of

Working People of Yugoslavia] Federal Conference contained 21,877,000 dinars, and the members of the presidium and secretary received 19,142,000 dinars. In the Socialist Youth League of Yugoslavia, salaries were similar to those in other political organizations, so that the president of the Yugoslav youth organization earned 22,610,000 in September, the secretary 21,981,000, and members of the presidium 21,353,000 dinars.

[2 Nov p 6]

[Article by G. Djukic, M. Torov, and J. Glisic: "Africa in the Pocket"]

[Text] In the press these past several days, even the most responsible people are not denying the possibility that directors of large enterprises probably have salaries that would make one dizzy in this kind of wave of inflation and price stampede. This is especially true in enterprises for the production and refining of petroleum and petroleum products. There is even talk about figures exceeding 10 billion old dinars. And in this context it is asked whether the salaries of those most numerous people, that is, the workers, are really one of the causes of inflation, as has already been declared from a number of speakers' platforms and in official statements by economists and politicians? We are thinking above all of the salaries of those employed, say, in the textile industry. According to the statistics, they were earning the same as the most poorly paid Africans, as everyone is already well aware. Given this high rate of inflation, what salaries are considered to be astronomical? It turned out that they were not in the pay envelopes of the leaders of our state and its government or indeed even of sociopolitical organizations.

In September, for example, how much did the president of the SFRY Presidency earn? His base salary (he does not receive a supplement paid to officials) was 22,788,500 dinars. All the other (eight) members of the Presidency had the same base salary. The difference lies only in past labor. In the SFRY State Presidency, the highest past labor, amounting to 18.5 percent, went to Vice President Borislav Jovic, and Janez Drnovsek received 8 percent on the basis of past labor.

Their counterparts in the Presidency of SR Serbia [Socialist Republic of Serbia] brought home pay envelopes of almost the same thickness in September. They do not have a supplement paid to officials either. The president of the Presidency of SR Serbia received 22,165,110 dinars on the basis of current labor and another 2,660,383 dinars for his past labor. The members of the Presidency had a base salary, which is to say for current labor, of 19,691,100 dinars. The amount which they received for past labor differs, of course, because they have a differing length of service. Thus, in the Presidency of SR Serbia the highest amount of past labor was 3,938,220 dinars. The president of the Assembly of SR Serbia and the chairman of its Executive Council had the same base salary in September as the president of the republic Presidency—22,165,110

dinars. The vice president of the Assembly, the presidents of the chambers, the chairmen of the republic social councils, and the vice chairmen of the republic Executive Council and the chairman of the republic Social Council had exactly the same base salary as members of the Presidency of SR Serbia—19,691,100 dinars. The differences, it is clear, lie only in past labor, or, as it is now often said, in work experience.

What were the September base salaries like for the highest officials in republic sociopolitical organizations? The chairman of the Serbian LC League of Communists] Central Committee earned 22,165,110 dinars, and the secretary 20,740,900 dinars. The chairman of the Council of the Federation of Serbian Trade Unions had a base salary of 19,261,900 dinars in September, and the secretary of that sociopolitical organization had the same amount. The October envelope of the chairman of the Republic Conference of the Serbian SAWP [Socialist Alliance of Working People] had the same amount for current labor as in the envelopes of the president of the Assembly and the chairman of the Executive Council of SR Serbia—22,165,110 dinars. The secretary of the Presidium of the Serbian Republic Conference of the SAWP earned 5 percent more than the other members of the presidium, who had a base salary of 19,691,100 dinars. Earnings in the youth organization of SR Serbia ranged from 16,156,800 (chairman), 15,651,900 (secretary), and 14,894,500 (members) of the presidium. In addition to the base salaries of the leaders of the Serbian youth organization, there was also past labor this time, which was minimal since these are people with quite short work experience. Thus, the level of their past labor runs from only 2 to 4 percent.

[3 Nov p 6]

[Article by D. Gorsek, G. Djukic, and V. Garcevic: "The Petroleum Industry People Are in the Lead"]

[Text]

In the fuel and power industry, as one might have expected, those who received the highest personal incomes do not really want to talk very much about this topic. Those with moderate salaries do have something to say, and those who are the poorest paid are the most inclined to converse.

In the Community of Serbian Electric Power Enterprises, it is legally impossible to obtain figures on earnings. Taking that observation into account, it is logical to suppose that the personal incomes are very high. From what we have been able to learn, in September the average earning ranged around 20 million dinars in Jugel. Nor are the petroleum industry people much more talkative. Nevertheless, we did learn that the September average in the Pancevo Refinery was about 30 million dinars. In "Jugopetrol," they gave only a 9-month average, which was 5.6 million, and when we know that in August it was only 3.6 million, it is clear that salaries took a significant jump in September.

In "Petrohemija" in Pancevo, they were somewhat more precise. The chairman of the business board earned 48,880,800 dinars in September, and a cleaning woman 11,023,600 dinars. The average during repairs, when there was quite a bit of overtime, was 25 million dinars, and without the overtime it was 20 million dinars. They say that in the ethylene plant the highest personal income was 82,884 million dinars. We did not learn who received it.

The situation is mixed in the coal mines, but it is a fact that in September they earned on the average about 10 million dinars in those mines where the working conditions are the most difficult, mines where they work underground.

The opinion of the public to the effect that salaries in large commercial collectives are on the European level seems not to be true, at least as far as "Genex" is concerned. In this organization, which is one of our largest importers and exporters, they say that their earnings are about 15 percent higher than the average in other commercial enterprises in Serbia. The average earning in September in "Genex" was 8,320,000 dinars. In October, the chairman of the business board received 22.8 million dinars, which would be the net personal income for September. This amount did not include past labor, the supplement for knowing a foreign language, and the supplement for higher education and the like. The vice chairman of the business board earned 20.3 million over the same period (net personal income), and the elected members of the business board each earned 19.3 million dinars.

In one of the leading Yugoslav banks, "Investbanka," earnings for September still had not been calculated. The reason, so we were told by Dr Slavko Milinkovic, vice chairman of the business board, is that this bank has 25 business units in Yugoslavia. We obtained figures from him on average earnings over the first 9 months of this year. The chairman of the business board earned an average of 17,986,200 dinars over that period. In September (without past labor), the chairman received in his envelope 38,750,000 dinars. In the first 9 months, the vice chairman of the business board had an average earning of 15,375,300 dinars. Employees in this bank had earnings of 6,573,700 dinars during the first 9 months of this year on the average. Those with a university degree earned 8,238,800 dinars. On the average!

[Box, p 6]

Still Lower

Out of appreciation for BORBA's efforts to provide objective information about the salaries of people holding the most responsible offices in sociopolitical communities and organizations, and inclining, of course, to the opinion that secrecy is not beneficial in one's work, so why should it be helpful in evaluating work, please publish this correction:

The figures given in your newspaper published on 1 November 1989, p 5, were for September. They are accurate except for the Socialist Youth League of Yugoslavia.

The real truth is that the president of the Yugoslav organization of young people earned 16,407,390 dinars in September, not the 22,610,000 that was cited; and the secretary 15,951,635, not 21,981,000. The members of the presidium each received 15,495,874 dinars, not 21,353,000 dinars. The figures we are denying pertain to October salaries, following a 37.8-percent increase. If, as you say, it is lower than the speculation, we congratulate you and thank you for a correction which proves it—it is even lower.

Ermin Ruvic, Presidium of the Federal Conference of the Socialist Youth League

[Box, p 6]

They Returned a Part of Their Salary

[Article by J.P.]

Elected officials in the Serbian SUBNOR [Federation of Veterans' Associations of the People's Liberation War]—the president and secretary—did not receive a single dinars this year by way of personal income! Let us explain: The president is a general, and the secretary is a holder of the 1941 Partizan Commemorative Medal, which means that they receive quite decent pensions. At one point, they did receive a certain amount, but when they received their pension adjustment retroactively, they returned the portion of their personal income that they had received.

The letter of the law entitles these officeholders to receive as much as 30 percent of the salary which they would have received had they not been pensioners, provided the total of their pension benefits and this supplement do not exceed the personal income envisaged for these positions.

The president's salary for September would otherwise have been 26,103,300 dinars, and that of the secretary 23,629,300. Calculation shows that the president's 30 percent would have been 7,831,000, and that of the secretary 7,088,800 dinars. We learned that there is an internal agreement here that during the term of office of these officials—until November—they will not receive anything. If their pensions increase in the meantime, the chairman and one member of the presidium, who is also permanently employed in the Serbian SUBNOR, and has a military pension, will receive some small amount of salary at the end of the term of office.

The situation is the same in the Yugoslav SUBNOR: the president is a volunteer and does not receive a salary, but his pension. The secretary has still not qualified for a pension, and receives the same salary as a member of the FEC.

[Box, p 6]

Up 69 Percent for October

[Article by S. Haderdjonaj]

Officials in SAWP Kosovo received their October pay on Thursday, 2 November. It showed an increase of 64 percent or 69 percent over September.

The earnings of the president of the Kosovo Presidency, not including past labor, was 25,692,800 dinars in October, and the members of the Presidency each received 23,105,200. The president of the Kosovo Assembly received 26,220,000 dinars, the vice presidents each 22,108,800, and the presidents of the chambers of the Kosovo Assembly earned 22,090,000 dinars in October. Since the president of the Executive Council of the Assembly of SAP Kosovo [Socialist Autonomous Province of Kosovo] does not receive a personal income through the joint services of the Assembly, but continues to receive it through the SSIP [Socialist Secretariate of Foreign Affairs], where he was employed before taking up that position; we do not know how much he received in September. The vice chairmen of the Executive Council, not including past labor, each received 22,503,600 dinars in October.

The chairman of the Presidium of the Kosovo Provincial Conference of the SAWP earned 21,620,000 dinars in October, and the members of the presidium 18.8 million each. The pay of the chairman of the Provincial Committee of the Kosovo LC was 23.5 million dinars in September, and the members of the presidium each received 19,740,000, not including past labor. We do not know how much their personal incomes will be for October, since the decision on the level of earnings of employees has still not been adopted.

The chairman of the Council of the Federation of Kosovo Trade Unions had a base salary in September of 18.8 million dinars, not including past labor and the supplement for officials in the third category. The October salary, we were told in the office, would be about 26 million, again without past labor and the supplement. Earnings were slightly lower in September for the president of the Kosovo youth organization, the secretary of the Presidium of the Provincial Conference of the Socialist Youth League, and the members permanently employed in that body. The president's earnings were 9,340,000 dinars, the secretary of the presidium 8.4 million dinars, and the members of the Presidium of the Provincial Conference of the Socialist Youth League each received 7,960,000 dinars.

[6 Nov p 5]

[Article by M. Lucic, Z. Radivojevic, and G. Djukic: "Four and a Half Averages"]

[Text] If we are to judge by the results so far in BORBA's survey, the politicians, that is leaders in sociopolitical organizations and communities, earn far less in our

country than the directors of large business organizations and banks. There is no confusion, then: The thickest pay envelopes are not in the executive councils, assemblies, committees, and other, as we often refer to them, forums.

Bosnia-Hercegovina

What were earnings in September in Bosnia-Hercegovina? The president of that republic's Assembly earned 18,024,160 dinars in September, including the supplement paid to officials. The vice president, again with the supplement, earned 16,334,395 dinars, and the chairman of the republic Executive Council 18,024,160 dinars, plus a 10-percent supplement paid to officials. The vice chairman of the republic Executive Council received 14,849,450 dinars in his envelope in September (not including past labor).

Earnings in the sociopolitical organizations of Bosnia-Hercegovina were almost equal to these. Thus, the chairman of the council of the trade union federation earned 16,385,600 dinars, plus the supplement of 1,556,600 paid to officials, and the secretary 14,849,400 dinars, with a supplement paid to officials of 1,187,900 dinars. Members of the Presidium of the Council of the Federation of Bosnia-Hercegovina Trade Unions received between 13,722,900 and 14,644,600 dinars in September, and the president of the Republic Conference of the SAWP received 18.3 million dinars, with a supplement paid to officials of 1,607,800 dinars. Members of the Presidium of the Republic Conference of the SAWP earned between 15,269,300 dinars and 17,280,700 dinars in September. The salary of the chairman of the Central Committee of the Bosnia-Hercegovina LC, including past labor, was 19,744,500 dinars in September, and that of the secretary of the presidium was 18,889,500 dinars. Members of the presidium of the Central Committee of that republic's LC each earned 18,492,700 dinars. The top man in the youth organization of Bosnia-Hercegovina received 14,982,600 dinars in September, and the secretary 14,429,600 dinars. Members of the Presidium of the Republic Conference of the Socialist Youth League each earned 12,453,100 dinars.

SAP Vojvodina

With respect to the level of their earnings in September, Vojvodina officials quite certainly are in the middle group of the best paid people in the province.

In the Executive Council of SAP Vojvodina [Socialist Autonomous Province of Vojvodina], the payroll of officials is approved by groups of offices and states the maximum possible number of points for calculation of personal incomes. It is the practice, however, that the highest offices are not awarded the maximum number of points to which they are entitled under the compact.

The value of a point for computation of personal incomes is determined on the basis of the average earnings of workers in the Vojvodina economy in the

previous month. On that basis, the monthly earnings of the top officials cannot be greater than 4.5 times the average earnings in the economy.

Their earnings for September are almost identical. The salary of the chairman of the Executive Council of SAP Vojvodina was 20,453,800 dinars without past labor, which is almost the same as the earnings of the top people in the SAWP and the SSO [Socialist Youth League]. The vice chairmen and ministers had somewhat slimmer pay envelopes. They were paid between 18 and 19 million dinars. The personal income of the chairman of the Presidium of the Provincial Committee of the Vojvodina LC was 21,483,900 dinars, and the secretary of the presidium 20,012,400 dinars. Commission chairmen and executive secretaries in the Provincial Committee of the Vojvodina LC earned between 18,001,400 and 19,085,500 dinars.

The earnings of most leaders of business organizations in Vojvodina were at the same level. For example, the September pay envelope of the general director of "Jugodent" in Novi Sad was about 21 million dinars. There are also managers who receive more than 30 million dinars. But the drastic differences occur in the personal incomes paid out in financial institutions. The top people in insurance institutions and banking organizations receive more than 40 million dinars, and in the petroleum industry and electric power industry they even receive more than 50 million dinars.

[7 Nov p 6]

[Article by V. Djordjevic: "Croatia: Officials 'Underpaid'"]

[Text]

Officials in SR Croatia [Socialist Republic of Croatia] do not represent the best-paid occupation, which is nothing new, since "the structures" have long lagged behind the salaries of many directors in the economy. In September, for example, the officials receiving the largest personal income were the chairman of the party presidium and the president of the State Presidency of SR Croatia. Not including amounts for past labor, their personal income was 24 million dinars. Thus, the chairman of the Croatian LC Central Committee received a total of 28,440,000 dinars.

The personal incomes for these two positions are calculated on the basis of a factor of 4, which is applied to a base determined monthly on the basis of the average gross personal income of workers in the economy of SR Croatia. (These figures are published by the republic coordinating committee for monitoring the compact on income in SR Croatia.) This same method, applying the factor, is used for financing from the republic budget the personal incomes of officials in the republic SUBNOR, the Croatian Republic Conference of the SSO, the Constitutional Court, the Presidency of SR Croatia, the Assembly of SR Croatia, and the Executive Council of

the Assembly of SR Croatia. In September, the base to which the coefficients were applied was 600 million old dinars.

In the Central Committee of the Croatian LC, the secretary's personal income is slightly less than that of the president (a factor of 4). In that month, he earned 23.4 million (factor 3.9), and his personal income was augmented by 1,755,000 dinars, the amount for his past labor. So, the second highest party official in Croatia earned a total of 25,155,000 dinars in September.

The base for the personal income of the president of the Assembly was 23.4 million dinars (factor 3.9), and that of the vice president 21.6 million (factor 3.6). Officials in the Executive Council of the Assembly of SR Croatia had the following base salaries in September: the chairman of the Executive Council of the Croatian Assembly, 23.4 million (coefficient 3.9); the vice chairman, 21.6 million (factor 3.6); and the members of the Executive Council, 19.8 million (factor 3.3).

Youth officials had somewhat smaller personal incomes than their older colleagues. Thus, the chairman of the Republic Conference of the Croatian Socialist Youth League received in September a personal income of 19.2 million dinars, not including past labor (factor 3.2), and the secretary 18 million dinars (factor 3).

As for the Socialist Alliance, the chairman of the Croatian Republic Conference of the SAWP had the same base salary as the secretary of the Croatian LC and the president of the Assembly and the chairman of the Executive Council (factor 3.9), which was 23.4 million.

Personal incomes in the republic committee of SUBNOR were also determined using a factor. Thus, the office of president has a factor of 3.9 and the secretary 3.3, which in dinars amounts meant that the base salaries were 23.4 million and 19.8 million, respectively.

The president of the Constitutional Court of SR Croatia earned 22.2 million dinars in September, not including past labor (factor 3.7), and members of the Constitutional Court 19.8 million (factor 3.3), again not including past labor.

The personal incomes of trade union officials in SR Croatia in September were as follows: the chairman of the Council of the Federation of Croatian Trade Unions had a base salary of 23.4 million (factor 3.9), and members of the presidium and the secretary of the Federation of Croatian Trade Unions Council 19.8 million (factor 3.3), to which past labor is also added.

It should be said that past labor amounts to 0.5 percent of these amounts for each year of service. The average past labor of officials in SR Croatia is approximately 13.5 percent.

[Box, p 6]

Mostar: The Alumina Factory Is the Best

[Article by B.S.]

Those employed in the Alumina Factory in Mostar have jumped far ahead of all others in the city with their personal incomes. In September, workers who work on the batteries in the electrolysis process received between 20 and 25 million, while cleaning women in the same collective received more than 8 million dinars. It should be said, however, that high earnings go with exceptional business performance. Here the annual production plan of 250,000 tons of alumina was fulfilled 65 days ahead of schedule.

In the Mostar Information Center, the director received 9,925,000 dinars in September, the reporter and editor 8,090,000 dinars, and the cleaning woman 3,690,000.

The "Velez" Work Organization, which operates hotels and restaurants, is among the poorest paid collectives in the city. In September, its director received 5,460,000, a waiter 2,570,000, and a cleaning woman only 2,120,000 dinars.

[Box, p 6]

Montenegro: Somewhere In-Between

[Article by S. Vukasinovic]

The rebalancing of the Montenegrin budget on the recommendation of the joint commission for monitoring personal incomes and other benefits of officials is supposed to increase personal income in October by 58 percent. If this recommendation of the commission is adopted, the increase would also apply to those employed in work communities.

What does this look like in absolute figures? Under the compact, the maximum range of the advance against personal income may not exceed 5:1, in which the base is the average of personal incomes in the economy. On the basis of the new value of the point, the president of the Montenegrin Presidency, the president of the Assembly, the chairman of the republic Executive Council, and the chairman of the Central Committee of the republic LC would have a base salary of 22,975,200 dinars in October. Past labor also has to be added to that; as for all others, it depends on the years of service, so that it could be as much as 20 percent of the personal income.

Excluding past labor, in September the president of the Presidency and the chairman of the republic government earned 14.5 million dinars and the president of the Assembly and chairman of the Central Committee received 30 percent of that amount as a supplement paid to officials. In the Republic Conference of the SAWP, there has been only one full-time official since back in January—the secretary, who in September, including past labor, received slightly more than 14 million dinars. This month, the figure of 20,677,680 dinars was entered

on the payroll opposite the names of two members of the republic Presidency, not including past labor, and the president of the Assembly and chairman of the republic Executive Council had about 1 million dinars less. The top leaders of the youth organization of Montenegro had somewhat smaller earnings. The chairman of the Republic Conference of the SSO earned 18,571,620 dinars, and the secretary 17,422,860 dinars.

Other figures also indicate that the personal incomes of officials in Montenegro seem both high and low, depending on who is comparing them to his own. To illustrate, the chairman of the Assembly of Kotor Opstina received more than the head of the Montenegrin Government and twice as much as his counterpart in Pluzine. We will not even talk about other comparisons from opstina to opstina or in associated labor.

What else is there to say except that here again the earnings of officials are somewhere in-between. Neither the highest nor the lowest. It depends upon whose salaries they are compared to. They are high, of course, for enterprises in Montenegro with low rates of capital formation, for instance, workers in the leather or textile industries. What would the petroleum industry people in Montenegro say about them? We believe that as far as they are concerned, they would not want their names to be on the payrolls of political forums.

[8 Nov p 5]

[Article by G. Djukic: "The Race Against Inflation"]

[Text] Earnings in the Economic Chamber of Yugoslavia increased between September and October, as they did for everyone attempting to keep pace with inflation. This time we have and are publishing the most recent data—October earnings, that is, the amounts which those employed in the chamber received at the beginning of November.

Thus, in October the president earned 31,228,000 dinars, and the members of the Executive Board of the Economic Chamber of Yugoslavia Assembly 28,523,200 dinars apiece. The secretary's pay envelope contained 26,802,000 dinars, and the secretaries of associations and committees each earned 25,572,600 dinars. Advisers and secretaries of coordinating committees took home 23,113,700 dinars in October.

In the work community of this association of Yugoslav business executives, the highest personal income (head of the office of the chamber's president) was 23,113,700 dinars in October and the lowest (a manual laborer) 7,130,800 dinars. Other people employed in the work community in October earned between 10,819,200 and 22,867,800 dinars. Technical personnel, that is, stokers, hygienists, guards, waiters, cooks, cleaning people, and others, earned from 7,622,600 to 10,819,200 dinars.

In the Cooperative Alliance of Yugoslavia, October salaries ranged from 28,375,700 dinars (the president) to 9,589,700, which was a typist's income. Members of the

presidium and the vice president of the Cooperative Alliance of Yugoslavia each earned 27,293,800 dinars, and independent advisers 21,441,600 dinars apiece.

[9 Nov p 6]

[Article by Bojano Popovic: "Ethics Without a Price"]

[Text] According to figures of the Republic Committee of the Trade Union of Health Service Workers, during the first 6 months of this year personal incomes in the health service were only 0.8 percent below those in the economy; in Vojvodina, they were 12.5 percent higher, and in Kosovo they were drastically lower—all of 28.7 percent. However, from one health care organization to another the personal incomes of physicians, medical specialists, and medical technicians and nurses differ. According to Radisa Savic, chief of the department for financial affairs of the Belgrade Municipal SIZ [self-managed community of interest] for Health Care, those differences from one health center or hospital to another originate with the incomes of other users and SIZ's who receive treatment in hospitals, but come from other areas. In Belgrade's health centers, which by agreement "tailor" their personal incomes, the average personal income in October for a medical specialist, not including past labor, was 19 million dinars. This was more than twice the August average earning for the same category, which was 8.5 million dinars. In September, the "salaries" of these physicians amounted to 13 million dinars; however, differences and surpluses were paid twice in an "individual" percentage—depending on the lag in the economy, so that, according to Radisa Savic, the first difference was 76 percent of the personal income in August.

The rise of personal incomes in the health service, however, using the figures of the Social Accounting Service, is 44 points slower than in the economy. Given the difficulty of the jobs they perform, then, the lag is 6.2 percent, and in the dental and outpatient health service it is as much as 9.3 percent.

How does this look in practice?

In the Institute for Radiology and Oncology in Belgrade, for example, a medical specialist with 22 years' experience received 19,338,000 dinars in September, according to Dr Nikola Mitrovic, that institution's

director. In October, the personal income of this category in the institute was 25,235,000 dinars. A medical specialist earned 14,943,000 dinars in September and 19,423,000 dinars last month. Dr Nikola Mitrovic, who is chairman of the institute's professional management body, received slightly less than 30 million dinars in September and about 37 million dinars last month.

In January, a medical specialist in the Banovo Brdo Health Center, for example, earned 1.3 million dinars, and his average from July to September was 12,841,666 dinars. In the same order, the earnings of other physicians were 1,170,000, while the average, which we have given, was 11,557,500 dinars, and nurses have received a personal income averaging 754,300 dinars since January, which increased to 7,481,661 dinars between the 7th and the 9th month of the year. In October, a nurse's personal income in that health center was 22,345,000 dinars, that of a physician 34,672,500, and that of a medical specialist 38,525,000 dinars. In spite of all the increases in personal incomes, according to the center's director, Dr Miroslav Miletic, the health service is "lagging behind" the economy by 10 to 13 percent for the entire year.

According to the figures of Aleksandar Petkovic, director of the work community of the University Clinical Center in Belgrade, average personal incomes, not including past labor, for the first 9 months of this year amounted to 8,336,900 dinars for directors, 6,043,120 dinars for medical specialists, and 3,536,350 dinars for nurses. In August, directors received an average of 12,302,030 dinars, in September slightly less than 25 million, and in October 32,368,600 dinars. Medical specialists earned in the 8th month slightly less than 9 million on the average, and in September 18 million, and last month 23,394,800 dinars. Nurses in August earned slightly less than 5 million, the next month 10,366,800 dinars, and last month 13,476,800 dinars.

The health service obviously cannot compare with the economy, especially when it comes to the personal incomes of physicians. No one disputes the importance of the economy, nor does anyone want to look at the health service as consumption, which has been topical in the last several years, but there is a lasting dilemma: Do we need the health service, and does it have any significance at all in our society? Or is the interest of society satisfied if we look at this activity through the prism of ethics and feel that we are "entitled" to count on it? And ethics, it will turn out, do not have a price.

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