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Kadar New Year's Interview

Using the same formulation as Deputy Premier Fock, in connection with the new price increases, Janos Kadar granted an interview to Nepszabadsag and MTI on New Year's Day.

Radio Budapest disclosed the text of the interview the same day. The statements of Kadar may be divided in two parts: foreign policy and domestic policy.

He did not disclose any substantially new aspect of Hungarian foreign policy or of his views on this question. He began by strongly attacking the USA because of its Vietnam policy. These attacks have become almost a daily phenomenon. Adherence to the principles of peaceful coexistence were recognized in the same terms as on many previous occasions.

In this part of the interview he also spoke of the Sino-Soviet rift without offering any new element. He admitted that the debate is continuing and that the unity of all socialist countries, as well as of Communist Parties, has not yet been realized, although attempts for unity have become stronger and the splitters are becoming more isolated. The cooperation of the socialist countries is developing in the framework of the Warsaw Pact and Comecon. Kadar added that Hungary's relations are improving with socialist countries with which Hungary earlier had had divergences. This is a reference to North Vietnam and North Korea which were visited by a Hungarian Party delegation in October. Deputy Premier Fock who led the delegation admitted that not all the views of the delegations were "identical." (cf. SR of 5 November and 12 October.)

A major, if not the main purpose of the Kadar interview, would appear to be the Party leader's concern over the popular reaction to the announced price increases. Although he provided no

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hint concerning the pre-Christmas timing of the announcement, he stressed that the changes are economically necessary and that in general the price and wage modifications "cancel each other out." Kadar expressed "understanding" of the discussion and worries of the general public, reserving his criticism for what he chose to characterize as a minority of disqualified extremists who are currently "explaining" the price measures to the people. "Now there are such 'defenders' of the workers, such 'wise men,' and such new advocates of the people who earlier, as reactionaries, counterrevolutionary fools, or, in the other extreme, as narrow minded sectarians, have done certain things, things which had to be remedied by many years' work and sacrifice by our people." Kadar said. It is interesting to note Kadar's implication that "sectarians" are trying to exploit popular dissatisfaction with the price increases, but until further evidence supports his contention, his statement appears primarily as an effort to deflect criticism from his regime. Kadar further admitted that "the real income of some families will be reduced."

It appears likely from Kadar's interview that some segments of the urban population have been critical of the benefits to the countryside of the new economic measures. In answer to a question on this subject, Kadar stated unequivocally that a major effort must be made to bring the rural living standard up to the urban level, in order to prevent a further exodus of agricultural workers into industry. He rejected claims that peasants "engage in profiteering," stating that exceptions to this general fact can also be found among urban workers and the intelligentsia. Kadar's clear statement of the problem, however, remains to be matched by an incentive program for agricultural workers on the scale necessary to approach its solution.

Hungary Offering Loan to North Vietnam

On December 27 Radio Budapest disclosed that an agreement for "another type" of assistance for North Vietnam was signed in Budapest.

The next day Radio Budapest gave a hint as to the character of this agreement, revealing that Hungary has granted a further long-term, interest-free loan and simultaneously has agreed to the postponement of repayment of earlier loans to North Vietnam. Nothing is known about these earlier loans, nor the time when they were granted.

Three New Arrests for "Incitement"

Six days after an earlier case of arrests for incitement (cf. SR 28 December) Hungarian news media on December 29 disclosed three new arrests for the same reason. Marton Czervan, 40, an unskilled worker from Budapest, Gyorgy Gombai, 32, no profession, resident in Lebeny, and Istvan Nagy, 33, a turner, resident of Pecs, were arrested.