

Munich, October 23, 1963 (TARA) — Rumania seems to have scored another point in her debates with her Comecon partners. This time the opponent was East Germany; the issue: the familiar one of whether economically backward Comecon members should pursue a policy of full scale industrialization or whether they should confine themselves to agricultural and light industrial commodities.

The October 18 issue of the new Rumanian economic weekly "Viața Economică" triumphantly devotes three columns to an article in the East German "Die Wirtschaft" which repudiates an earlier article in another GDR journal, "Wirtschaftswissenschaft", to which "Viața Economică" itself had also taken strong exception.

The offending article had been one by Gerhard Huber in "Wirtschaftswissenschaft" No. 4 of 1963. Huber's argument was briefly this. In the present conditions of the socialist world system should not a small socialist country — at an early stage of industrialization but with a good agricultural potential — concentrate its main effort on raising the productivity of agriculture rather than go all out for heavy industrialization? Instead of comprehensive industrialization should such a country not try to expand those industrial sectors which were of most help to agriculture, like farm equipment and certain chemicals?

Huber thought that, on the whole, this would be a good idea. He then went on to distinguish between two kinds of industrializations: active and passive industrialization. Active industrialization is the full comprehensive type; passive industrialization involves paying most attention to agriculture and its attendant industries. Huber made it quite clear that he was advocating this second type of industrialization for "small" countries like Rumania and Bulgaria.

The Rumanian Reply

In its very first issue in August this year "Viața Economică" took issue with this thesis. In an article entitled "Pseudo-theories which Attempt to Disparage Industrialization", C. Murgescu, a prominent academician and the new journal's editor-in-chief, wrote that Huber's arguments, "in plain Rumanian", clearly meant "that some socialist countries should simply give up the idea of socialist industrialization". Alluding to Huber's reference to "small countries", Murgescu pointed out that, "as far as area and population are concerned, the GDR is a smaller country than Rumania". He ironically compared Huber's theories on passive industrialization with those of certain bourgeois economists who held broadly the same views. Such theories were thoroughly un-Marxist. According to Murgescu, "the interests of the world socialist system demand that every socialist country, large or small, should consistently follow Lenin's policy of industrialization". —

The East German Withdrawal

Morgescu's strictures were followed, rather belatedly, by one of Huber's own countrymen. Writing in the October 7 issue of "Die Wirtschaft", Karl Morgenstern supports the Romanian argument by stating that "socialist industrialization, which comprises in the first place the development of heavy industry, is valid for all socialist countries, taken separately as well as under the conditions of the advanced international socialist division of labor".

Some of Morgenstern's arguments are noticeably similar to those used by Morgescu. He also sees a similarity between Huber's argument for "passive" industrialization and those of some bourgeois economists, and he says, as did Morgescu, that Huber is going against the "fundamental principles of the international socialist division of work". Morgenstern is further quoted as saying that "in each socialist country, whatever its limitations might be, there are certain reserves of important raw materials for the development of heavy industry". Even under conditions involving the "most intensive utilization of possibilities for the development of agriculture and light industry, all the available manpower reserves could not at all be used with a high degree of productivity. In spite of the division of work, heavy industry must be developed in each country...". Such a separate development of heavy industry by each country would, said Morgenstern (as did Morgescu), be of advantage to the whole bloc.

Romanian Argument Accepted

It is small wonder that "Viata Economica" carries this article at considerable length. For Morgenstern seems to have driven the last, or one of the last, nails in the coffin of that body of opinion which, under the auspices of Comcon, would have reduced Romania's industrialization to a shadow of what she intends it to be.

That Romania has had to defend her industrial policy most energetically against East Germany and Czechoslovakia, and to some degree against the Soviet Union, is proved by a good deal of direct and circumstantial evidence. She was probably doing this as early as 1961 and the issue does not seem to have been settled in her favor until the last Comcon summit meeting in Moscow in July of this year. Throughout this period her economic relations with her two advanced partner-satellites, East Germany and Czechoslovakia, were anything but good. Huber's article was just one symptom of the strain with Moscow, just as the complaints about Czechoslovak machinery were just one sign of annoyance with Prague. It may, of course, be argued that Huber's article, appearing as it did in a rather specialized journal, may not necessarily have been official opinion. But it is probable that it came pretty close to what Moscow (and Prague) thought about Bucharest's policy. And, in any case, the real point is surely that, after "Viata Economica" spirited reply and (more important) after the deliberations in Moscow in July, the East Germans themselves have thought fit to repudiate Huber, using Romanian arguments. This tends to strengthen the contention that at Moscow in July the question of full scale —

industrialization was clearly settled in Rumania's favor.

This little victory over East Germany will certainly not go unnoticed. Already "Visa Economica's" polemic with Huber has been picked up in Poland: its subsequent triumph will also be remarked on. In the meantime Bucharest's bellicose polemicists can already look with satisfaction on two scalps already won: that of Tschakov, the Soviet historian, and now that of Huber, the East German economist. "Three will be the third? Or are all the causes now won and all the opponents sufficiently cowed?"

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