

HUNGARY

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9/5-12/5

NATIONAL ASSEMBLY MEETING

The National Assembly session which began on 9th May continued on 10th and 11th. The Assembly did not debate the Budget which had been forecast in earlier reports. On 10th May Kadar's report was debated, and on the following day Kadar replied to the debate. Bills to prolong the Assembly's mandate and to amend the constitution were passed, and the House adjourned in the afternoon of 11th May.

10TH MAY

The Debate on Kadar's Report: Speech by Károly Kiss

When Rónai opened the meeting on 10th May, he announced that 13 Deputies had asked to speak in the debate on Kadar's report, and called on Károly Kiss to make the first speech.

A recorded excerpt of Kiss's speech was broadcast on the home service at 18.00 on 10th May; brief summaries and excerpts were given at 11.00 on the home service, and by MTI on the same day. The following version combines all three sources.

Counter-revolutionaries Confused the Issue

Kiss began: "We are assembled here today for the first time since the launching of the deadly attack on the State of our working people - our people's Republic building socialism. Who were the attackers, and why did they attack the people's State and its social order? Before the counter-revolution of 23rd October, and in its early days, counter-revolutionaries of various kinds successfully concealed their aims behind a smoke-screen. The enemy in his attack on the workers' power managed to blur the sharp outlines of the great achievements of 12 years of constructive work. He persuaded people to believe for a while that those 12 years had been wasted. Revisionist journalists, who had stabbed the Party in the back, helped to spread this view, but everyone in the country now knows that the workers' power was attacked by internal reactionary forces enjoying the active support of foreign imperialists. Their murderous attack was prepared and supported by traitors within the Party - members of the Imre Nagy-Lozonczy group".

Workers Did Not Attack Regime

"It is true that the enemy managed to deceive many workers for a while, but it was untrue that the workers, who had the people's power to thank for their liberation, the nationalisation of the means of production, the abolition of capitalist exploitation, the laying of foundations of socialism and peaceful revolution, had lifted their hands against the people's power". The village workers, who had their alliances with the working class to thank for the distribution of the land, the abolition of the reign of the banks, the elimination of the oppressive gendarmerie, and the establishment of modern MTS, did not attack the people's democracy... The truth is that the people's power was attacked by those whose interests demanded it - by those who expected that by overthrowing the people's democracy they would get back their lost factories, estates and banks - in short, the property which had brought them wealth. It was also attacked

by those who expected that with the help of internal, reactionary forces, and of fascist, Arrow-Cross, and gendarme formations brought into the country from the West, where they had been kept in readiness, they could start a civil war and restore in Hungary the so-called 'freedom' they coveted so much - freedom for the capitalists to oppress the working people, put them into shackles and exploit them."

The Counter-revolution and its Aftermath

Kiss said that the road followed since 4th November had proved the correctness of the Government's policy. He went on to recall that during the October events, Geca Losonczy had been the spokesman of chauvinist and anti-Soviet views in the Parliament Building. He continued: "The Nagy Government, having already opted for capitalist restoration, decided with a number of other comrades on the evening of 2nd November to leave the building and ask for help. We did not return until 4th November, when we did so it was with the Worker-Peasant Government. The spectres of capitalism have now disappeared from the lobbies of Parliament Building, and a new page in the history of building socialism in Hungary has begun."

In dealing with anti-popular elements, the Government was following not only Lenin's advice, but also that of Kossuth: "If you are hit with a stone, hit back with lightning". The counter-revolution must be fought with all the severity of the law, but there must be no excesses, and the principle of socialist legality must be asserted. Today it was clear to the entire working population that the counter-revolution had thrust the country to the brink of the abyss. The Party and the Government had saved the people from catastrophe with the support of the people and of the friendly countries.

Referring to the ideological confusion caused by the enemy inside the Party, Kiss said that even in the present difficult times, the people were able to recognise their true leaders. Today there was no doubt whatever that Imre Nagy and his group stood condemned before history.

Normalisation of the Economy

The plan of imperialist reaction to maintain a state of confusion in Hungary, had misfired. But the enemies of the people's democracy were now trying to exploit the country's very real economic difficulties. Kiss then paid special tribute to the miners for their contribution to the restoration of normal conditions, and said that it had been due largely to their heroic stand that mass unemployment had been averted in Hungary. He concurred with the economic measures announced by Kadar in his speech on the previous day.

The main task of the National Assembly was to lead the country, under the guidance of the reorganised Party, towards the solution of its economic problems. "On more than one occasion," he concluded, "our popular Party has given proof of its vast creative power... I, therefore, do not doubt for a moment that by joining forces with the people, and through its power, we shall succeed in overcoming every difficulty, and in building socialism in our dear fatherland."

"I approve the Government declaration, which maps out the further progress of our People's Republic, and accept it on my own behalf and on behalf of my Party - the Hungarian Socialist Workers' Party."

Speech by Janos Peter

Kiss was followed by Janos Peter, President of the Institute of Cultural Relations. He spoke of his emotion on entering the National Assembly for the first time since the counter-revolution. He thanked Dobi for his vivid account of the October events and of his personal experiences in the Parliament Building, and praised Kadar's report on the events of the past six months and current problems. He thanked the leaders of the Party and the Government for their bold decisions and clear guidance, and said that in his present sphere of work he had many opportunities to meet foreign visitors, the first thing they all said was how they admired the astonishingly rapid return to normal of the country's life.

Peter then went on to report on the work of the Hungarian delegations at the Helsinki meeting of the World Peace Council and at the Warsaw session of the Inter-Parliamentary Union. Confidence in the Hungarian people's power, he said, was not confined to the countries of the socialist camp. Events in Hungary had evoked an echo in Western countries also, people there were noting with bitterness or pleasure that socialism had finally triumphed in Hungary. He ended his speech by thanking the Government for their endeavours and by wishing them further successes in their work. (Budapest 11.00 and 18.00, 10.5.57)

Maj. Gen. Pal Ilku on Reasons for Army's Failure

Poorly received recorded extracts from the speech made by Maj. Gen. Pal Ilku were broadcast on the home service at 15.00 on 10th May. Brief additions to this speech were put out in summary form by MFI later on the same day, and in the broadcast for Hungarians in America at 01.00 on 11th May.

Ilku said: "Why was it that the army unfortunately could not prevent the counter-revolution, destroy the counter-revolutionary groups, and smash the counter-revolutionary attack? This question must be answered here before the National Assembly. One of the reasons, and the most important one, was that Imre Nagy and his group betrayed not only the people's power but also the army - the armed support of the people's power." A second reason was subversion, which had begun well before 23rd October.

"The third reason was that there were traitors and imperialist agents in the Army command. As events progressed, their subversive activities became more and more openly connected with the Imre Nagy group's disruptive activities. But it must also be said frankly and sincerely that the army's impotence was partly due to the fact that in a difficult and complicated situation some officers were found to lack talent and to be helpless and clumsy.

Army Loyal

"On the whole, the army was fit for action on 28th October to defend the people's power in the struggle against the counter-revolution. This is shown by the moves most local garrisons made against the counter-revolutionary gangs. The gravest moral blow to the army was the capitulation which on 28th October declared the counter-revolution to be a 'glorious revolution'. When the liberating Soviet Army again came to the Hungarian working people's aid, following the request of the Revolutionary Worker-Peasant Government, Imre Nagy gave the army the shameful order to resist, despite the fact that the country had already been virtually flooded by nationalist-chauvinist incitement. But with the exception of a single anti-aircraft unit, the army refused to obey Imre Nagy's order.

"The attitude of most of the army since 4th November and the formation of the Worker-Peasant Government unmistakably proves that it has remained faithful to the people's power, to the Hungarian fatherland which is building socialism, and to the socialist camp. The hastily-formed regiments and formations of the public order forces which included a good number of ... officers and workers gave armed support to the worker-peasant authority, and in a few weeks, they had developed to a degree where they could guarantee the military annihilation of the counter-revolutionary provocation unaided. I think it is right to say that they made a serious contribution to the consolidation of life and the resumption of production. I would like to assure comrades that the thousands of the public order forces officers who received their baptism of fire in the struggle for the people's power are one of the guarantees that there will not be another counter-revolution in our country.

Lessons of the Counter-revolution: Army Purged

"The lesson for the army is the same as for the rest of the workers: on the question of power there is no room for dispute, there is no room for comparative

assessments and the harbouring of doubts. Anyone who raises his hand against our people's power must be annihilated, whether an order has been given or not. The leaders of the newly-organised army are teaching the People's Army to carry out all the orders of the Government of the people's power. The counter-revolution has taught us that, should we come face to face with an enemy without having received orders, we must act on the basis of our class consciousness, and our loyalty to the people; the enemy must be destroyed even without orders."

The reorganisation of the army had been completed, Ilku continued. Officers who would not sign a declaration of loyalty had been demobilised, and those whom the revolution had shown to be unreliable had been removed from the army. The formation of new units of recruits had begun. Hungary's participation in the Warsaw Treaty was the guarantee of her independence and socialist constructive work.

Sandor Gaspar: Workers did not Support Counter-revolution

The next speaker was the trade union leader Sandor Gaspar. According to summaries of his speech broadcast on the home service at 17.00 on 10th May and given by MTI on that day by the information service on 11th May, he said that the workers had not only not supported the counter-revolution but had prepared themselves for the call to action. Having sensed the danger, thanks to their good class instinct, they had organised armed guards on their own initiative in most factories. The counter-revolution could never have developed had Imre Nagy not deceived the workers and their leaders, and had they not been told by Imre Nagy, a Communist Premier, that a glorious national fight for freedom was developing.

Production Contests and Piece-rates

Gaspar denied that the production contests of the past years had been useless. Although there had been faults in them - material and moral rewards had not been sufficiently emphasised, for instance - the socialist labour competitions had helped greatly to develop the country's productive forces, and to raise the national income. It had been from these competitions that the heroes of socialist labour had emerged. In future, production contests should be more "purposeful", and should solve tasks "dictated by life." In future, not only outstanding workers but other brave patriots who worked well, would be given material and moral rewards. This should make the contests "healthier". The Praesidium of the Trade Union Council was submitting proposals on a new labour contest system to the Government. Mentioning piece rates, he said that these should be aimed at and introduced throughout industry. Experience had shown that wages paid by the hour did not provide incentives to the workers to raise output, or to improve their professional qualifications.

Discussing the unions' tasks in strengthening the people's power, Gaspar said the Party and the Government had provided every opportunity for the working class to express its will through the unions. Attention must be paid to workers' suggestions, advice, and proposals, which should be put into effect to improve production, cut costs, and make production profitable.

Ede Horvath and Ferenc Z. Nagy

Ede Horvath spoke of the untenable situation in the factories of County Győr-Sopron, where output now amounted to only 79 per cent of the production of last September, while wages had risen by 20 per cent. The working class was surely capable of abolishing such anomalies, which was all the more necessary since the country could not for ever rely on the help of the friendly States.

The House greeted with loud applause the speech of Ferenc Z. Nagy who made "a sincere declaration of support for the Revolutionary Worker-Peasant Government", and stressed that the cause of socialist construction concerned not a single Party and not the Communists alone, but the entire Hungarian people.

Mgr. Beresztoczy's Qualified Support for the Government

The next speaker was Mgr. Miklos Beresztoczy. A recorded version of his speech was broadcast on the home service at 18.00 on 10th May. He said:

"I have been greatly touched by the thoughts expressed by our colleague Z. Nagy. In discussing the Government's report, I would like to answer the question whether I, as a non-Party Catholic believer, can contribute anything of importance about the report, without getting lost in detail and without losing sight in the course of my arguments the all-important basic ideas. My answer contains two positive and two negative points.

Two Reservations

"My first negative point is: I do not follow the Government in its ideology. As a Catholic believer, I am not, and I shall never be, a nationalist, because without repudiating my faith I cannot be one. I must add that no one has yet asked me to be one.

"My second negative point is: I cannot support the Government by approving Government decrees or laws, either promulgated or to be promulgated in the future, if they clash with my religious philosophy. Thus, for instance, I did not approve the provisions of the decree known as the Abortion Decree. I may add that no one has so far asked me to support it, either in the confessional or in the pulpit. Ideological differences and individual views arising out of ideologies are irreconcilable.

Appeal for Tolerance

"There is nothing to argue about. I would cease to be a believer and the materialist would cease to be a materialist if we changed our convictions. It may be a missionary's task to bring such a change about, but missionary work must be done by conviction, and not by hate. That is why it is possible to demand mutual frankness and social friendship without abandoning one's principles; that is why there can be an accord that will build the country and enrich life, in all matters on which there is no clash of principle. This must be emphasised everywhere, in all details, and mutually. The principle of force must be rejected simultaneously by both sides, and the principle of justice asserted.

"We can understand each other and help each other, because there are common positive basic opinions in our lives as well, and our task is to look for and to serve the things that unite us, and not those that divide us.

The Peace Campaign

"My first positive contribution is that I want to defend peace with all my might and devotion. I believe it is a matter of conscience to contribute to this in the interest of my country and of all mankind. It is not important to me who makes a proposal that achieves the consolidation of peace: I welcome the Soviet disarmament proposals, just as I welcome the West German scientists' statement in the struggle against nuclear weapons, the staggering warnings of Pope Pius XII, and the words of Prof. Schweitzer. All prove that the continuation of the nuclear tests, and the poisoning of the world's atmosphere, will lead to the destruction of the present and of future generations.

"We cannot allow humanity to rush to the brink or even the bottom of the abyss through the outbreak of a new world war. Whether the issue is Suez, the Hungarian October, the Jordan affair, or the quarrels of Central American States, I am grateful to the forces which prevent or are preventing war. In our case it is the USSR.

"One of the main duties of the Hungarian Government is to promote peace in our country and in the world. The Hungarian Bench of Catholic Bishops, discussions with which were mentioned in the Government report, assured the Government in its statement of 10th April of its support for the Government's peace efforts. It is my conviction that this also means the support of the remainder of the Catholic clergy and of Catholic believers.

Support for Regime

"My second positive point is: I regard the present social order in Hungary - the development of socialism - as a stage in our historical development. That is why I agree with another point in the statement of the Bench of Roman Catholic Bishops, which condemns all attempts against the State and social order of the Hungarian People's Republic. Socialism is not a question of time or fashion.

"In recent decades, a variety of ideologies was expressed by wearing shirts or ties of a certain colour. The followers of the fascist regimes did not wear black, brown, or green shirts, and those of proletarian internationalism did not wear red ties, at the behest of the masters of men's fashion: their apparel was an expression of the stage reached by a country's population in the course of its development. During this development there may be some who try to prevent or delay its normal course, but no one can turn back the wheels of history. The result would be only decadence and destruction.

"That is why I was so shocked when, during the October events, when I was abroad, I read Horthy's claim to the leadership of the Hungarian people, or Otto Habsburg's statement about his return to the royal throne. My faith in the sobriety of the Hungarian people's views was only confirmed when, on returning home in mid-November, I heard once more what I had heard from a Czechoslovak peasant in Poestyan (Pistany): 'We do not want to be the servants of the great lords again.'

Insurgent Catholic Parties Condemned

"The eight parties formed in the autumn of last year which called themselves Catholic and proceeded to fight socialism, were not associations representing the Catholic millions. In the past, and also since October, my constituents, friends, and my flock, often asked me not to allow any political party to call itself Catholic, since the bitter political controversies and struggles such parties were likely to be involved in would seriously damage the religious cause. Instead of having Catholic parties consisting of professional Catholics, and careerists ... we want to preserve the Catholic faith among our flock, and among the non-Marxist masses, by displaying more humanity, by conscientiously fulfilling our duties, loving our fellow men, and thus to make our socialist progress more perfect. Hungarian peasants and workers, and the thoughtful section of the Hungarian intelligentsia, do not want to stop on this road to progress, even less do they want to reverse its direction.

Correction of Past Errors

"It cannot be denied that there have been certain mistakes in the development of socialism. Our compatriots suffered injury both as citizens and believers. It is everyone's wish and endeavour that these mistakes should not recur. In that respect also the Catholic masses have been reassured by the Bench of Catholic Bishops, which stated: 'The Bench of Bishops regards with confidence the Government's efforts to liquidate the errors of the past, and to repair the harm done. The success of these efforts will improve the lot of the Hungarian people and strengthen socialism. There is no doubt that the effect of these measures on Catholic believers, workers, peasants, and intelligentsia has been favourable.'

"As a representative of the clergy loyal to the people, I express my thanks in the name of my fellow priests and my flock for these measures, convinced that the consolidation of our national economy and other favourable developments will result in a further improvement of the prosperity of our people.

"We have heard the Government's report and programme. Sincerely and openly, we have stated the negative points which prevent us as non-Party Catholic believers from following the Government in certain directions. At the same time, however, we have stated our faith that on two fundamental matters we can find our place in the building of the country, and in the development of its prosperity in co-operation with the Government. The Government's report contained an expression of confidence in the industrious efforts of the Hungarian people to build up the country, in their resolve to protect their future. I express the same confidence in these qualities and efforts of the Hungarian people. The feelings we have for the efforts of our Government would be best expressed by the concluding words of the Episcopate's declaration: 'We ask for the Almighty's blessing on the success of the peaceful efforts of our people and Government'."

Antal Nagy: The Meaning of Soviet Aid

Antal Nagy, Deputy for County Szabolcs-Szatmar, said that the workers of his constituency were in the best position to appreciate the importance of Soviet aid, for the goods from the USSR were flowing through their County. "It is a fact that virtually day and night - especially since the October events - the traffic has become practically a one-way traffic bringing to our country goods and materials of great value to our people's economy. It is not accidental that people in the region, in particular in the Kisvarda district, refer to the frontier station of Zahony as the 'Golden Gate' of our country. We can see for ourselves the effect of the agreement which was concluded by the Hungarian Government delegation in Moscow. To mention but a few items: while in March 1956, 13,126 wagons with 354,340 tons of goods arrived, not by any means a small amount, in March 1957, 26,737 wagons brought 541,303 tons of goods, including 49,000 tons of timber, 19,000 tons of crude oil, and large quantities of wheat, barley, rubber, cellulose, iron ore, coke, coal and fuel wood, and a lot of other things...

"The overwhelming majority of the workers in our County regard the presence and help of the Soviet Army as a friendly, fraternal assistance, and feel ashamed that we were not able to make the correct use of the freedom first received, so that we had to regain it with the help of our Soviet comrades. It is the firm resolve of the workers of our County to guard our regime, the proletarian dictatorship of our People's Republic, so as to protect it against the recurrence of danger..." (Budapest 17.00, 10.5.57)

Imre Fodor: Utmost Severity Towards Enemies of the Regime

After paying tribute to the help given by the Soviet troops on 4th November, without which "we would not meet in session here today, but many of us would rest in unmarked graves and the enemies of the Hungarian people, the capitalists and landlords, would have subjugated the Hungarian workers, peasants and intellectuals", Imre Fodor, Deputy for County Veszprem, said: "Radio Free Europe and the imperialist circles accuse the Revolutionary Worker-Peasant Government of undue rigour, alleging that arrests are going on continuously in Hungary. In my opinion the Government must apply the utmost severity against the enemies of our people's democracy." (Budapest 12.00, 10.5.57)

Istvan Antos: Minister of Finance

A recording of the speech made by Istvan Antos, Minister of Finance, was broadcast as follows (Budapest 18.00, 10.5.57):

"Honourable National Assembly. In the wake of the counter-revolutionary events in our country an extremely grave economic situation developed. In November 1956 industrial output was a mere 18 per cent and in December, 31 per cent of the

amount planned. At the same time, in the form of wages not less than the planned amount but sums far in excess of the planned figure were paid out, because in many factories large sums were paid as wages to which their recipients were not entitled. Confidence in the currency was shaken. The population sought to spend its money at once. As there were hardly any replacements of goods, stocks by the end of December had fallen by more than 40 per cent, while the amount of money in circulation had risen by about 20 per cent. The menace of inflation became a serious threat.

"The aim of the organisers of the strike, after the defeat of the armed uprising of the counter-revolution, was to thrust the country into an economic catastrophe. It is safe to assume that in similar circumstances in a capitalist country, soaring prices would have been inevitable, and the process of inflation would have set in. Our socialist economic system, however, stood the test, even in that grave situation.

The Socialist Economy Tested

"In the Hungarian people's economy the socialist sector predominates. The stocks of consumer goods, representing a total value of over 14 milliard forints, were not in the hands of capitalist business men, but in the hands of socialist, State-managed economic organs and, on the Government's instruction and despite the shortage of goods, continued to remain assured at unchanged prices fixed by the State as public supplies.

"As a wonderful manifestation of international proletarian solidarity, the friendly socialist countries, the Soviet Union in the first place, sent large quantities of food and industrial consumer goods as aid to our country. These factors, the strength of the socialist system, the help of our friends, the Party's consistent policy, and the correct measures adopted by the Government, have helped us in that most difficult phase, and have enabled us, even during the counter-revolutionary events and at the time of the strikes instigated by the counter-revolution, to preserve the stable purchasing power of our currency.

"The grave economic damage caused by the counter-revolution, of course, continued to be felt even after the resumption of production. The restoration of the earlier production level could only be achieved by stages. This process was greatly retarded by the coal and power shortage, and by the disorganised state of the factories. Nevertheless, thanks to the sacrificial efforts of the miners, workers and intellectuals, the normalisation of economic life made rapid progress even during the first quarter, and it was possible to reach 80 per cent of the earlier production level in the food industry; 86 per cent in light industry; and 72 per cent in heavy industry. The workers' income and purchasing power, however, has not only approached but has substantially exceeded the earlier level. Following Government measures, wages have risen in all branches of the people's economy, and the abolition of compulsory produce delivery assures a considerable increase in income for the working peasantry. In the circumstances, the satisfaction of the population's goods requirements has confronted our people's economy with a hard test of strength. In the achievement of these tasks it has been of great help that industrial production has risen most in those branches which produce goods of the highest importance from the point of view of the population's consumption. It is too early, however, to declare that all is well in our economic life, and that we have left all our difficulties behind us.

Future Prospects: 1957 Plan

"There are many difficult tasks still ahead of us, but their solution is served by the people's economic plan for 1957 already approved by the Government. What is the most characteristic feature of that plan? In my opinion, it is that from smaller national revenues than in the preceding years, it envisages a standard of living substantially higher than in the past. Is that possible? The provisions of the plan correspond to this objective. The equilibrium of the fundamental balances of the people's economy is within the realm of possibility. Correct Government resolutions, however, are not in themselves sufficient for the realisation of the plan. The fate of the plan will

be decided in the factories and the fields, and depends on the daily purposeful and self-sacrificing efforts of the working people. What is important, is not only how much we produce, but also at what cost. In the first quarter of the year the level of basic costs in industry was 14 per cent higher than last year. The main reason for high production costs is to be found in that productivity in the manufacturing industry has fallen by more than 18 per cent, while the average monthly earnings of the workers is nearly 300 forints higher than last year. Everyone must understand that such a situation cannot be maintained for long. To enable the workers to buy more and better goods for their increased wages, to turn the greatest possible proportion of the wage increases into an effective increase in real wages it is indispensable that workers should achieve at least the same output as before in return for the higher wages.

"The provisions of the plan have reduced requirements in spheres where earlier unwarranted tensions existed in the productivity indices which retarded production - the textile industry, for instance. The plan's provisions concerning productivity are completely realistic.

Profit-Sharing Interest: The Importance of Exports

"The Government recently issued a decree about profit sharing in factories, which makes the entire personnel of the factories interested materially in basic costs reduction. Party and TU organisations in factories should explain this new form of material incentives to the working masses, so that we may advance with the support of hundreds of thousands towards increasing our economic production. Because of the limited nature of our investment possibilities, independent action and initiative by our factories is particularly necessary. It is also necessary that, by bringing to light reserves of production, by the attainment of a suitable range of products, and by improvements in quality, output should be raised and the profitability of production enhanced.

"The greatest economic tension this year will be caused by a lack of balance between foreign trade and the payments balance. The deficit is being made good by credits granted by the Soviet Union and other friendly countries, and particular emphasis must be given to the tremendous importance of the assistance represented by the 50,000,000 dollar foreign currency credit granted us by the Soviet Union, and the 25,000,000 dollar foreign currency credit placed at our disposal by the Chinese People's Republic. From the credits placed at our disposal by the friendly countries this year, we may use up roughly 1,100,000,000 roubles. In the first quarter of the year we have imported nearly twice the amount of our exports, and, in addition, we have had to pay substantial debts which had fallen due to enterprises and banks in capitalist countries. In this way we have already used up more than half of the loan given us by the friendly countries, and for the rest of the year the credit means at our disposal will be far less than in the first quarter. This, of course, has been taken into account in the plans, but it follows from this that from now on we must raise our exports rapidly, so as to secure, from our own resources and as soon as possible, an equilibrium between the foreign trade balance and the balance of payments.

"As soon as possible our exports must exceed our imports, and in this lies one of the most important conditions for the normal progress of the people's economy. As in production in general, production costs cannot be a matter of indifference for export; we must consider the relationship between basic costs and prices obtainable abroad. Often we come across surprising and unwarranted proportions. The 25th April issue of 'Nepszabadsag', for instance, in an article entitled 'Hungarian silver', declared: 'The beautiful "Pannonia" side-car is being produced on the conveyor belt. In the opinion of foreign experts this model is years ahead of other motor-cycles the world over. About 6,000 have already been produced, but hardly any can be found on the home market because they are bought up rapidly everywhere'. This, of course, is all to the good, but to this miracle story the question should also be added: why is the cost of the side-car, export packing included, 85 per cent of the cost of the motor-cycle itself, when, on the world market, side cars, generally, cost only 45 per cent of the cost of the motor-cycle, and the difference is obviously paid not by the foreign buyer but from the State Budget?

"I wish to deal with the tasks connected with the assurance of a stable equilibrium between purchasing power and stocks. The bulk buying of agricultural products in the first four months of the year, apart from minor mistakes, has been successful generally speaking. No black market has developed, and free market prices since March have been lower than last year. We must continue to ensure, in the first place through a correct economic policy, the prevention of the development of speculative symptoms in the course of bulk buying. Should speculators emerge, we must not shrink from applying the force of the dictatorship of the proletariat against them.

"It is one of the important obligations of the fiscal organs of the Councils to assure the timely payment of taxes and arrears. The establishment of a firm equilibrium between purchasing power and stocks depends, of course, decisively on the development of agricultural and industrial production. Taking into consideration the existence of minor tensions in the Plan's purchasing power balance, even though it reckons fully with production potentialities and supplementary stocks, for the sake of assuring a stable equilibrium, price corrections have become necessary within a narrow circle. The Government endeavoured to avoid these price corrections having any bearing on the daily goods requirements of the broad working masses, and, particularly to avoid their effect being felt in the normal purchases of workers whose income does not exceed the average wage.

"The price increases apply to articles such as motor cycles, bicycles, washing machines, sewing machines, certain agricultural machinery, tools, and luxury articles. As regards these articles, the higher prices are justified so as to ensure the equilibrium between demand and supply. The Government measures also extend to certain branches of the catering industry.

"Taking these price corrections into account, by the implementation of the plan without fail, a stable equilibrium will be achieved in the balance of stocks and in purchasing power, which will make possible the maintenance in the national economy of unchanged State prices, and realistic agricultural bulk-buying prices, and the avoidance of the menace of inflation which might disturb our economic progress.

The Need for Economy

"Finally, it must be emphasised that in every sphere of State and social life the utmost economy is called for; economy possibly on an unprecedented scale. All the resources of the State must be mobilised in support of a higher standard of living. It must be understood that every measure for which we have not provided the material prerequisites in advance, will reduce the results we have already made to raise living standards.

"I am convinced that the Hungarian working people, by fulfilling the people's economic plan for 1957, will overcome those economic difficulties which still persist and, by bringing to light the ample reserves existing in our people's economy, will create a firm basis for our successful progress along the road of socialist construction."

Parragi: Plea for Humane Feelings

Deputy György Parragi was reported (Budapest 18.00, 10.5.57) to have spoken as follows:

"Honourable Assembly. What I want to speak about is the oft-repeated view expressed in the Government declaration that it wants to serve national unity and the further development of our political and social life by displaying, in the future, as it has done in the past, understanding towards those who have been misled and who are in so-called ideological confusion.

"Naturally, the policy of patience can be considered as being a policy only when and as long as it is expedient. This cannot, of course, be an end in itself, and particularly, this must not be a hackneyed phrase. We wish to support our Government in this policy which, as we know, has already led many misguided people to a better understanding and to the correct road, the road of construction. I ask our Government and Party to continue this work. Let us bear in mind that the bloody infernal storm of the counter-revolution has not only caused our people material damage amounting to twenty milliard forints, but has also caused immeasurable damage to men's souls.

"Let us bear in mind the fate of those truly unfortunate children who have perished as a result of the soul-poisoning incitements or, torn from their parents, have escaped abroad. Who is responsible for all this? For the butchering and flight of children, the Herods of the counter-revolution at home and abroad are mainly responsible. Speaking from memory, historians describe as the most inhuman horror of the 12th century the crusade which was launched by demented and obsessed adults under the title of the 'Children's Crusade' to recapture the Holy Land. I believe, Honourable National Assembly, that historians will describe as one of the most cruel atrocities and outrages of the 20th century the incitement by the unscrupulous gangsters - because this is what we must call them in their own language - by which, under the slogan of a crusade and with the soul-poisoning bluff of chauvinism and anti-Soviet feeling, they have driven to death or into the desert of exile, hundreds and hundreds of Hungarian children from the beautiful and sweet Hungarian soil.

"And there is another thing I must speak about in this connection, I ask the Government and Party to be humane. I know that in this request I am hammering on open doors, but I must add that by in speaking of humaneness, I do not advocate a sham humaneness, the phrases of which have been uttered by Tibor Meray and his ilk, Tibor Dery and his ilk, Gyula Hay and his associates, in the manner of the Pharisees only to poison the soul of the youth of Hungary.

Contributions to Western Press Condemned

"Several of them have since adopted a so-called better country. For a bribe of dollars, the most dastardly of them all, Tibor Meray began to write a series of lying articles for 'Franc-Tireur'; he began to tell lies first in the Petöfi Circle, saying that I had been lying as regards the Yugoslav question; and now he is lying. It is deplorable that Western circles, and the 'Franc-Tireur' - that spurious Trotskyist paper - should find space to print these filthy articles. But we know why. Because of the dollars - that is why (one name indistinct), Meray, and Mr. Alpar do it. As a journalist - a Hungarian journalist - I express my deepest contempt of this vile affair. Honourable National Assembly, their consciences are not troubled in the least by what permeates our conscience, the attitude of our Government, and the speeches made in this Assembly. It is distressing for us to think of what is going to happen to those young Hungarian men and women who are now in the refugee camps of the West, in the Foreign Legion, and in foreign armies, in the paws of the fascists and imperialists, when they get to know what Western humanism and Western democracy really are."

The remainder of the speech, of about two minutes' duration, was indistinct.

11TH MAY

Conclusion of the Debate

The debate on Kadar's report continued on 11th May, when once again Sandor Ronai, President of the Assembly, was in the chair. Two speakers, Mrs. Mihaly Berki and Sandor Katona, described conditions in Borsod and Csongrad Counties during and after the counter-revolution. This brought the debate to a close; whereupon Sandor Ronai called on Janos Kadar to reply to the speeches made during the debate. (Budapest 11.00 and 18.00, 11.5.57)

A recording of Kadar's speech, the text of which follows, was broadcast by Budapest radio at 18.00 on 11th May, and repeated at 09.00 on the following day.

"Honoured National Assembly, dear comrades, I think everyone following this debate will agree with me that it reflects certain new and healthy features of our public life. This debate, these speeches on the report have been characterized by the fact that they were not just formal, but touched upon the substance of things. Another characteristic of the debate was that words have regained their meaning. I shall not forget a statement made by our writers about 10 months ago, complaining that words had lost their meaning. My opinion is that the writers, including those whom we justly castigate and reprove, were right in certain respects. And when we recall what public life was in the past few years, we must accept the statement that many words had become divorced from their content and substance, and had lost their meaning. If there is anything characteristic of our present public life, it is that words have regained their meaning.

"Very many of us played an active part in social life during the past few years. How often did it happen that at conferences and meetings of one sort or another we spoke of the dictatorship of the proletariat, of the savage hate of the bourgeoisie brought about by their loss of power, while the expressions themselves were divorced from their meaning and substance! How often did we talk about 'the dictatorship of the proletariat' - without thinking what it means. By now, in this debate, and as a result of the stormy and bloody October days, all our people have learned the meaning of the 'people's power' and of the hate of the former exploiting classes thirsting for revenge. The same is true with regard to the meaning of the other words.

"Men Drawn Together"

"Another characteristic of this National Assembly is human fellow-feeling. I believe that here in the National Assembly there is no man capable of regarding himself as substantially above everyone else. There is nobody among us to whom we must look up to with admiration. This may be wrong, but I think it is useful, because we have drawn close to one another, we see when the other fellow is right, we also see his mistakes, and I think that as a rule we recognize them. This is fortunate. This is, moreover, the only way in which collective wisdom can be - and to a certain extent is being - asserted, that collective wisdom by which we Communists as a Party understand the wisdom of the working class, the collective wisdom of hundreds of thousands of Party members. The wisdom of the people - and I believe that it is properly represented in this country - can only be asserted, if we have the courage to listen to the words of the people, take heed of them, and express them.

Timely Criticism

"In this debate there have been very many sensible and timely comments; and if these have not been expressed in sharp words, they have nevertheless almost amounted to criticism. When the Veszprem County miners' representative said that it was not right that a considerable part of the eight-hour working day should be lost for our national economy, we could interpret that as criticism, because the managers could have realised this earlier and, as the representative also stated, taken the necessary measures. Another comment of the same type was that of our friend Z. Nagy, who declared that relatively little was said about agriculture in the report, and nothing at all in the Finance Minister's statement. Our new Finance Minister can take this as the first criticism of himself, and, I must add, a justified one.

"Another question raised, also by my friend Z. Nagy, was that it would be right if the producers' co-operative movement and the agricultural co-operative movement did not represent two entirely separate lines, and did not follow two entirely separate paths. This question has been raised before. The time will come when we shall pay much greater attention to it. The main trouble with our general agricultural co-operatives has been that, in the true sense of the word, they have not functioned as co-operatives. The general co-operatives could be called 'secondary State shops'; but the spirit of the co-operative movement is lacking in them, let us not try to find out through whose fault; but it is only natural that this spirit must be restored.

"At present the position is that, to the great satisfaction of everyone we have abolished the produce surrender system. We shall not restore it. Naturally, this presents a new problem. I remember a peasant who called on one of the County district councils in Transdanubia - I could not say off-hand which one - and asked if it was true that the produce surrender system had been abolished. It took about half an hour to make him understand that it had in fact been abolished, then he asked to see the official statement. The person dealing with him happened to have a copy of the official letter, and showed it to him. The peasant was convinced and made his way towards the door; then he turned back. 'Well, this is all right', he said, 'it is all right that the produce collection has been abolished; I am reassured about it. But tell me, how will the town people be supplied with food?' A series of similar questions followed.

Agreement on Fundamental Issues

"It is a good and very important thing from the point of view of our people's peaceful life and further progress that full agreement reigns in the country's supreme legislative body on these fundamental questions. I am fully convinced, not only that this expresses the view, intentions, and will of the present 298 Deputies, but that the vast majority of the Hungarian people agree on these fundamental questions. The agreement expressed on these main questions logically and rationally implies that the absolute majority of the National Assembly sharply condemns the policy pursued by the Imre Nagy Government which, in the final analysis, betrayed the position of the working class and socialism, betrayed the people and the country's independence on all these fundamental questions.

"We have heard here many facts and critical statements; and I must say frankly that these are a refined and parliamentary version of the sharp and severe criticism we have encountered wherever the masses of the working people have gathered. And they have been quite right. It is implicit in their views on main questions - and they were also explicit about it - Honourable Deputies, that it was inevitable and lawful in the circumstances to set up a new leading organ to go into battle for the cause of the people and to protect its vital interests. If I understood rightly what had been said in the debate - and it would have been difficult to misunderstand it - the National Assembly approves the setting up of the Revolutionary Worker-Peasant Government and the main line it has so far followed. I hasten to add here that we, members of the Government, have done what I mentioned in the last sentence of my report. The National Assembly has given us the moral and political support indispensable to the Government for the continuation of its work. I thank you for this, Honourable National Assembly.

"The debate has reflected agreement on main questions; but also differences of opinion on others. This, in my opinion, is justified, and will prove even more useful later on, provided our internal political development is healthy. There is something solemn about our meeting of today. This is rightly so, because the National Assembly has, in fact, drawn up the balance-sheet of a historic period. Nevertheless, in our daily work it will be unavoidable that differences of opinion over certain questions assert themselves even more forcefully. Why is this important? I welcome the speech of my Honourable fellow-Deputy Beresztoczy, who began by pointing out the questions on which differences of opinion prevailed. Why is this a good thing? There must inevitably be differences of opinion, but as Beresztoczy rightly emphasised, there are no ideological differences dividing the majority of Deputies. That there are differences of opinion on problems is known to everyone in public life; there are differences of opinion between Communists and non-Communists, and also among the Communists. Among thinking people there are differing opinions; nor is this wrong. What is wrong is if we gloss over them. I believe that what we Communists think of the Central Committee of our Party or of the national leadership of the Patriotic People's Front, or of any other social body applies to a certain extent to the National Assembly as well. Here I do not want to recommend the Leninist principle of democratic centralism to the National Assembly; but let us see what the proper procedure is. The proper procedure is that a question should first be debated, and then a decision taken. When however, a decision has been taken it should be carried out in unity."

After turning briefly to foreign affairs and speaking of the value of Soviet-Hungarian friendship, of the growing strength of peaceful forces within the socialist

camp, and saying that the Hungarian Government "does not regard the overthrow of the State order in Austria as one of its tasks", as certain States, "for example the USA" appear to consider it part of their programme to overthrow the internal social order in Hungary, Kadar re-stated Hungary's support for peaceful co-existence, and went on:

No Attempt at Authoritarianism

"I do not think that this means that we are introducing a 'communist reign of terror'. On the contrary, I should like discussions to take place and decisions to be taken at the proper time, so that then we can all start implementing the decision at the proper time.

"Let us take another aspect of the question. Although our session is a public one, and although our public is being made familiar with our discussions by the Press and radio, the problem still remains: which is the better, to indulge in argument here on a question which has not yet been decided and on which our attitude has not been formulated and then to stand united by our decision, or to sit here with everybody appearing to agree with everything, and have everybody put a different interpretation on things and take a different line the moment we leave the Parliament Building? I am of the opinion that those who further the cause of the people express their views while a decision is being arrived at and once it has been arrived at, deem it their duty honestly to represent that decision outside in their daily life and work.

"Since the idea was put into my head by my fellow-Deputy Beresztoczy, let him not take offence if I use a simile. Once when I was Communist Party Secretary in the 13th District and we were talking about our reminiscences, I said that the cancer of Party life was the fact that at Party meetings we behaved like bad Catholics - do not take offence! What used to happen? When we met, a creature like a Church dignitary got up to speak, said what he had to say, while the rest of us listened with pious attention. To keep to the simile, what he said was things like 'Do not steal', 'do not be a scoundrel', 'do not be a careerist', 'work honestly', and so forth; to which everybody said 'Amen' and went out and did exactly the opposite of what he had just been told. Afterwards, to put our consciences at ease, we Communists had our kind of 'confession' - self-criticism. There were people calling themselves Communists who thought that, just like bad Catholics, they could sin all the year round and at Eastertime go to confession to clear their consciences, and on the Tuesday after Easter start sinning again. These people, too, sat among the Communists and professed themselves Communists, listening to good advice and expressing approval of it, working badly for a year or two, and, when called to account, indulging in a little self-criticism, and then resuming their mistakes where they left off. Such things cannot be allowed."

The Leading Role of the Working Class

After an indistinct passage in which, apparently, Kadar offered apologies to Beresztoczy for have referred to his speech disparagingly, Kadar continued: "I should now like to deal with a few questions raised during or in connection with the debate, and which I think should be answered separately. At the same time, I ask your indulgence for not dealing with every question raised; the fact that I shall not deal with every question does not mean that they are not important; but it is impossible to answer every important question. We have heard the following question..."

(Note: the question referred to by Kadar, and said to have been raised by three Deputies, was indistinctly heard; but its substance is contained in the following sentence derived from a short MTI summary of Kadar's speech: "Kadar deemed it necessary to clarify certain points raised by several Deputies as to the reasons which, in October, made the then leaders of the country fail to give explanations and clear directives to the masses and the armed forces.")

"What is the crux of the matter?" Kadar went on. "I believe in the Hungarian working class, the Hungarian working people, the Communists, the soldiers

and the police sufficiently to tell them frankly that the causes of the uncertainty and impotence manifested during the October events on the part of the masses, certain units of the army, some of the Communists and policemen are not to be sought in the masses. We owe this much to our own people. Because when we say that the Hungarian people defended the cause of socialism, it is Gospel truth, comrades. Here many historic arguments have been raised, but we must state, comrades, that the historic merit goes to the working class - I hope my peasant brethren won't mind my saying so - which, since 1918, has fought for the people's power and shed its blood in the fight and never deviated from the cause. It was not by chance and coincidence that the Hungarian people, which had suffered severely under a particularly wicked form of capitalism and the very powerful remnants of a medieval system, was the first after the Russian and Soviet (sic) peoples, who had suffered under similar oppression, to achieve the power of the working people. In my opinion this is one of the most important factors in the just pride of the Hungarian nation.

A Divided Leadership in July

"Unfortunately, I have not been able to give here a detailed account of my personal experiences during the October days. They are interesting. Still, I should like to say something of them. If I take the leadership, then I must take the leadership of the Party and of the country as one. I must say the following. The leadership, the leadership of those days, consisted, fundamentally, of two sections. The one decided in July to eliminate the mistakes - and I am convinced that, if we had followed the line adopted in July, then, in one year, although not without internal faults, differences of opinions, difficulties and friction, we could have remedied the mistakes without major damage and sacrifices; this is an important factor. One section of the leadership was guided by these aspirations and intentions. I must state frankly that this section of the leadership experienced serious trouble in those days. Speaking for myself, I can say that it was difficult to understand what was happening in the torrent of events during those days. It was difficult to see one step ahead, i.e. what was to be done. For this reason there was uncertainty in the smaller but better section of the leadership. At the same time the other section also took part in the leadership - and I must speak here of the group of Dore Nagy - the other part which we did not fully know at the time - I must say this because I am not in a position to deny that I, too, voted for Dore Nagy's becoming Premier and I never shall deny it, because, despite his many faults, I was convinced that he was an honest man supporting the working class; it became clear only later that this was not so. This section of the leadership was not, like the other half, in ignorance of what was happening; they knew what was happening, because they were partly responsible for it. Thus, it was not difficult for them to know what was happening. Consequently, they must have known what they wanted; and they were in a position by pressure to compel the other section of the leadership to co-operate with them in the uncertain situation for a while.

"That is how the situation was reached which was a disgrace to the leadership but not to the people, because in fact in every corner of the country thousands and thousands of our compatriots, who saw more clearly than we what was going on and what ought to have been done, waited in vain for correct instructions and arms from us. That is how we came to the realisation where events were leading us. Although things looked different then, I was also certain that the vast masses of the Hungarian people would understand that we had to break away and to embark on the road leading to a straight fight. I believe that the prestige of the leadership does not mean that it should keep silent about these things, but that it should tell of them in a straightforward manner.

"I could not dwell at length in my report on that aspect of the October events which constituted a (?danger) to mankind. Several speakers mentioned this. The danger was great. Both of its forms were severe. One of its forms was the following: everyone knows that this counter-revolution was permeated with the desire for imperialist and chauvinist revenge. Everyone knows this. Also, everyone knows Hungary's peculiar historic position. Hungary has five States as neighbours, not a single one of which but whose territory includes an area which, in the course of history, for a shorter or longer period, long ago or recently, has belonged to Hungary.

Nationalism and Chauvinism Rejected

"This was the historic position. We are following the right road when we reject nationalist and chauvinist revenge and, as far as this question is concerned, return to the ideal of Kossuth, which was to realise all our aspirations - the socialist ideal, peaceful and fraternal co-existence - in the form of a common struggle for peace. We approve of this. This is the meaning of the Hungarian People's Republic. But those gentlemen care precious little for the Hungarian People's Republic. If they had come to power - and I am not exaggerating - if they had only consolidated their power, which they could have done in two or three weeks, they would have set the country ablaze. Even the blind and the feeble-minded can see that.

"There is also another form... This is the counter-Government ('ellenkormány') set up in Transdanubia. (This was not a scene from a Punch and Judy show), but a blood-sodden historic fact. The purpose of the counter-Government in Transdanubia was to turn Hungary into a second Korea; not quite in the same way, though, that is, not into South and North Hungary; they wanted a Western and an Eastern Hungary, and this is where imperialism sought to create a new hotbed of war in the heart of Europe. And there has never in the course of history been a local war in the heart of Europe; local wars have always developed into world wars. Thus, the warning by our fellow-Deputy Janos Peter was well justified.

The Masses in Advance of the Party

"The question of the PPF (Patriotic People's Front) has also been raised here. I am not in a position today to outline a programme or an organisational structure for the PPF. But I can refer to a historic fact. The PPF grew out of the second world war in the form of the Historic Memorial Committee ('Toertenselmi Emlékbizottsag'), the Hungarian Front and similar organisations; these later became the Hungarian Independence Front; the PPF is the direct offspring of them. Of course, when it was born, it was filled with a living meaning; there was no need to search for its meaning; it was born as a national rallying movement on the initiative of the Communists - it is not Party pride that makes me say this, this is a historic fact. I think that while we here sigh and say that the masses are looking ahead with expectation to the future of the PPF, the masses have in fact gone ahead of us, because, what in fact has taken place before our eyes since 4th November - the activation of the public and political life - means that the masses are ahead of us and the outline and the nucleus of the PPF have already been born in the form in which life itself wanted it.

"There was, for instance, May Day, or, if you like, the four meetings which took place in Budapest. It is a well-known fact that there are still rather sharp arguments among our people; no one will tell me that all of the 7,000,000 adults in Hungary shout 'Long live the Socialist Workers' Party!' and 'Long live the Hungarian Revolutionary Worker-Peasant Government!'. There are, in fact, views in this country in opposition to the Government. We are not going to deceive ourselves by pretending that there are none. But the fact that, at the call of the Revolutionary Worker-Peasant Government, at those four meetings in Budapest about - well, of course, figures allow of argument - 100,000 or 140,000, but no, let us say 80,000 people gathered - of course, no one counted them and we do not want to understate the figure but we are certain that there were at least 200,000 people at those meetings, shows that there is no doubt that, taking the country as a whole, about 600,000 or 800,000 people gathered together. Please, compare the figures. The Hungarian Socialist Workers' Party has about 300,000 members; and the meetings called by the Party are attended by three, four, or even five times as many people as there are members of the Party!

"Who are these people? They are in part non-Communists, honest workers, peasants and intellectuals to whom the main thing is - and in my view this is the meaning of the People's Front these days - to be united in condemning the counter-revolution, in defending the People's Republic, and in building socialism. And our task - and

maybe the special task of Comrade Apro who is at present in the chair and also a member of the PPF - is to canalise in a suitable shape the healthy disposition which - in my view - already exists among our people to revive the PPF.

"I want to mention here that Z. Nagy, who says that it is not a simple thing to build socialism, is quite right. This goes without saying. I should also like to add that I do not want to get involved in Party questions; but I should like to say, so that there may be no misunderstanding, that we are Communists loyal in our thoughts to the Party who have always known that the Party stands high; the Party is not an end in itself; the Party's duty is to fight for the interests of the working masses in accordance with its scientific ideology. The Party must organise, unite and lead the people.

Dealing with Workers' Discontent

"There were also other problems. Comrade Gaspar has spoken on the reasons why there has been a certain measure of discontent among the workers, for instance because they had not enough influence in the management of enterprises. There has been discontent over other matters, such as the standard of living. I should like to deal here with one idea, and that is the following; it concerns the relationship of the leaders and the masses. I think in the first place that the leadership can only fulfil its task if it never disregards the mentality and will of the masses. What is required for this purpose? First of all one must know the masses, one must be among them, one must find out what the people are preoccupied with, and one must give them the answer. I have spoken to one trade union man who said that our trade union people ought to mix more with the masses than they are doing at present. One cannot hide from the questions put by the masses, there are always problems which preoccupy the masses, and they expect an answer to those problems and must get the answer from somebody. If we do not give the answer, the enemy will give it, of course according to his interest. We must therefore be present among the masses; we should not be afraid of them, nor of their questions, because if our standpoint is just, we can safely answer the masses.

"To that I must add that in my opinion the task of the leaders is not to put into effect the wishes and the will of the masses - and this statement will sound rather strange. In my opinion the leaders' task is to realise the interests of the masses. Why do I differentiate between the wishes and will on the one hand, and the interest of the masses on the other? In the recent past we have encountered the phenomenon of certain categories of workers acting against their own interests. What is the task of a leader in such a situation? Is it perhaps to mechanically put into effect the incorrect ideas? No, it is not. The duty of the leadership is to represent the interests of the masses. For this it is necessary to know the opinion and wishes of the masses, and this must always be taken into account if - as it is usually the case - it coincides with progress; but if it does not, then one must lead the masses in the direction of progress. And part and parcel of this is that the man who claims to be a leader and wants to be regarded as one - and here there is no difference between the village leader and the country's leaders as it is the same honour to be chosen as a village leader - must always have the courage to say where the interest of the masses lies; he must do so, whether he is applauded for it, or whether it at first causes displeasure.

"In my opinion the masses will have 10 times more respect for those leaders, or, for that matter, for the leader who tells them that they are not right and then later come round to his own point, than for those leaders who woo them and demagogically try to gain their respect. Such leaders will later no longer be regarded as leaders by the masses; they can only enjoy temporary success. Leadership will have authority only if it always answers the questions of the masses, always bears in mind the interests of the masses, and does not act under the influence of the mood of the moment.

The Problem of Youth

"Now for the problem of our youth. What happened to Hungarian youth during the October events is a lesson for youth, but even more a lesson to adults - much more so. What should the lesson for the adults be? It is this. Young people are always inclined to idealise; they are looking for ideals, and sometimes those ideals are personalities. That is a law of nature that we cannot alter. But to prevent its being abused it is very important that we do not idolise anyone in the eyes of youth, and that we do not idealise life's realities. We must not forget that those young people on emotional more than intellectual grounds were adherents of the people's democracy and of the idea of socialism; and they saw some contradictions. Socialism in writing is a wonderful thing; but what we never said was that it was not yet with us, but just being born amid pain, struggles, troubles, difficulties, as every other new world. And if we told youth that the present was socialism, we were not telling them the truth. If we spoke of personalities we made a mistake. It has a shattering impact on youth when they suffer an emotional disappointment; and some of the young people found themselves in a situation in which they had to suffer such disillusionment, because they were strong not on intellectual but emotional grounds only; and so they suffered a shock. One must always make only sparing use of big words and superlatives. That is my opinion. We must always be very careful before we say: the most... Because we shall always be called to account when it is shown that the thing is even less than mediocre! This is a very important thing to watch.

A Lesson from 1932

"In my opinion, however, there is no reason for despair, because I remember the times of the Horthy regime - and please do not take it amiss - I have got a thought to develop. In 1932 I was already a member of the Communist Working Youth. At that time the famous Oetvoes College Communist case caused a sensation. The newspapers were full of it and - I am not aiming at the Catholic Church in saying this - 'Nemzeti Ujsag' and 'Uj Nemzedek' carried leaders which really made one cry. And what they said was that the Oetvoes College case had proved that the youth of the ruling classes was on the side of the working class. What was the interesting side of that case? A communist youth conspiracy had been discovered, with something like 47 members, and among those arrested were the children of the best families in the country, those of landowners, factory owners, the son or nephew of the Budapest Assistant Commissioner of Police, the son of a Bishop, and so on; and so 'Uj Nemzedek' and 'Magyar Nemzet' (sic) were right in stating in despair that 'the Communists have snatched from us our own youth'.

"I think what happened in 1932 is natural and right, it is the road of human progress that the progressive working class should win over to its ideas that part of the youth of the ruling classes which supports the good. The abnormal thing is what we experienced in the recent past: that among the children of the working class those most hesitant were recruited by the counter-revolution and fascism for their side, for their ideas. What are those ideas? You adults sitting here, you know those ideas. Is that normal? Is that possible? Can it be allowed? Can one allow the ideas of murder, bloodsucking and robbing the nation of its independence, to gather under its flag as few as five working class or peasant children? No, this cannot be allowed to happen! This must not be repeated, and it is up to us adults. Only afterwards shall we have the right to ask the young people to draw their lesson for themselves.

Tolerance not to Imply Weakness

"Here there is another question of an ideological nature I also want to deal with. Our fellow-Deputy Parragi made the following claim: 'The Government must show patience, humaneness; and let us show that the barriers are not down, neither here nor at the borders as far as those who want to return are concerned.' In my opinion this is correct and good, but requires certain simplification as far as the guilty are concerned. It must be pointed out that the question involved is this: 'When we fight against errors, we fight against the errors and not the men'. Why is this important?

We require those holding erroneous views to give up those views; but if instead we associate the wrong views with the men, go on beating and strangling the men all the time and without stopping, it means that we regard these people as holding wrong views that will stick to them till the end of their days; and this is not good for the healthy development of our future. We are fighting against mistakes with no quarter given, a very tough fight; we hit out at errors and with them the man who is the carrier of those errors; but if he gives up his errors, then he can find his place in (the society).

"Unfortunately this tolerance and humaneness must be supplemented by severity for the guilty. And I will say here frankly that we must look at a case as whole and see what has been done against the people. Because it is not true that the 170,000 young people who, in their first fit of madness left the country, are enemies of the Hungarian people. That is not so. Not a few of them have returned. But it is just as much a sacrifice for the nation as if they had died. I am sorry also for those who lost their lives on the other side of the (the front). This is why we must deal severely with the guilty. The people's life is dearer to us than anything else.

Justice Must be Done

"In connection with this there are also certain worries; there are some who say 'what about the principle of legality, dictatorship of the proletariat?' and so on. 'Will there not be further trouble if we go on punishing people?' and so on. I do not think there is any justification for such fears. Why? First of all because if in the past there were cases - and I am sorry to admit that there were such cases - of a man's being singled out and declared guilty and then it was his task to prove it that he was not guilty, this was a wrong starting point, as they might have invented some crime he (he had never committed). But what is the position at present? Do we need anything like that? Do we need to look round and say: 'It is more than three weeks since I saw an enemy; we have got to fight an enemy'? We are not in such a situation, in such a poor situation in that respect! There are here plenty of real anti-people crimes which must be investigated, and the (the guilty punished). Another thing is that no mistakes must be made. The first thing is to get at the facts and investigate them.

"Then again, I stress that it is the crime which must be punished and not the man; and (this may be contradictory), but I must also say that for those who have not committed a capital crime, the way back to society must be found. Penalties must be severe, and if anyone has committed a capital offence, for that capital offence he must get what he deserves. Why? So that we may deter others who are not yet guilty as far as crimes against the people are concerned. This is how we can practice tolerance and humaneness without neglecting the obligation of defending the interests of the people. If we do not arrest and punish inciters, then we are guilty towards those young people who tomorrow and next year will be snatched from us against their own interests.

Economic Questions: Rising Prices

"And now for economic matters. We could not go into details. Work must go on all the time, the National Assembly will have to debate (two words indistinct), which will be a guiding rule for future work. It is right that in addition to industry agriculture and other sectors should be dealt with. I would like however to mention the following. We have been forced to introduce a measure which is not (not popular): the authorities have been forced to increase the prices of certain articles. Well, I see the thing in this light; we have reached a certain stage. How did we reach that stage? There were measures by which the standard of living was fixed partly by law and partly decided by ourselves. We must remember this: there were workers' councils and who knows what other organisations, at a time when there was no central direction; they took cheques, went to the National Bank for cash, and paid people according to their whims. All this had in some way to be legalised; there was no alternative, and perhaps to get otherwise would not even have been right. Elsewhere wage increases and the abolition of compulsory deliveries were decreed by the Government. The result was a certain raising of living standards. Now, of course, what we are giving is a bitter pill: raising prices makes things a little bitter and the increased price of wine makes its taste a little sour - that is true.

"But when some time ago we are arguing with these people - and there were first of all among the trade union people some who suggested hair-raising wage increases and also wrote about them in the newspapers even without first discussing them - everyone was competing with each other, everybody wanted to appear a good boy, and I had a little argument with the comrades and told them this was not a good division of work. Now when I talk to the trade unions, they only come forward with wage proposals; they are the good ones, and we in the Government are the bad ones. When I talk to the newspapermen, they argue about freedom and the right to criticise and who knows what! I have told them that this is not a good division of work; can it be that the task of the Government is to make mistakes and the task of the newspaperman to write about these mistakes? Well, I certainly do not want to accept this state as permanent; it must be supposed that even the Government can do something good, and even newspapermen can make a mistake! There must be some equality in the division of work, as otherwise I shall have to change my job and go over to the trade unions, where I am sure I should be able to compose a wage list such that no Prime Minister in the world would approve of it! Or I shall become a journalist and point out mistakes in such a way that they will be very hard to explain away. And that is why this is not the right division of work.

A Time for Self-Discipline

"Well what is the trouble now? We told the people at the time: 'Look here, this carnival with all comforts cannot go on'. When they came and told us: 'We are not going to work' - these were not the real representatives of the workers, but people who at that time could represent themselves as workers' representatives - 'until this and that is done' we told them: 'Look here, we are not mine or factory owners; if you speak for the workers then you are talking about yourselves; you are not hurting us if you do not work for three days or a week, you are hurting yourselves.' Those were hard times and they have their consequences. We had to draw up a balance-sheet and the result of it was that adjustments are required. Should we ask for the wages to be repaid? That is impossible; people who live on wages cannot be asked for that. But something must be done to balance the relationship of wages, income, and goods. Is it perhaps our duty to supply industrial products and sometimes wine to the detriment of the public at a price such that with every litre of wine we can hand as a national gift five forints to the man who drinks the wine? Or in the case of another article, to let a fellow come, put money on the counter, and when he takes away the article he has bought actually take 180 forints from the cash register from public money for doing us the favour of buying the article?

"We must also state that increasing prices is not a trend of our economic policy; but on this occasion it was necessary to put things in order, and this is an economic measure of the same kind as others in the political field. And there will be order, and economic life will be restored to order. I knew that there would be many more cheers if I could say that we were increasing wages by 20 per cent or so, or that we were reducing by 30 per cent the price of certain articles; but our duty is to ensure the solidity and balance of our national economy, that way we protect the standard of living. This is why we had to take these steps.

A Desire to Serve the People

"Well, in conclusion, I see that there is confidence here in the Government. I admit frankly that this confidence is very gratifying and I like it. I would also like to state how we stand with our own (appointments). At least as far as I am concerned. I think - and I have the feeling that the others think the same - that before we became members of this Government we held a variety of posts, and, I think, not only I but all my colleagues wanted from life only to be allowed to live as decent communist people. We have no special ambitions. As far as I am concerned, there were certain years of glory and I was dismissed from a fairly important post, because I had failed to arrive at the conclusion that that kind of thing is of no use to me, and now it is only through duty that we are at our posts. I can assure you that last November it was not at all an enviable task to organise a Government and to start working. I can also tell you that at that time I did not notice that there was much elbowing for Ministerial

portfolios. Therefore it can only be with great satisfaction that we see the number of those giving their confidence to us increasing. We cannot think of any greater compensation for this work than this confidence of which we always want to be worthy. Even now there are some very decent people who are still standing aside. They approve of what we are doing, but they want to wait a little longer, until the dirty linen is washed by us even whiter, and then they will put in an appearance in the fighting arena as soon as eternal peace has already set in! There are such people; we are not angry with them. I am convinced that they will help as their conscience and their loyalty to the people requires it. We are not rushing them, because our pleasant experience is, that since the Government is helping, fighting and working, every day there are more and more people supporting the Government actively. And as far as we are concerned there could be no greater reward for our work than that. Our wish is to be able to justify this confidence in us. When I meet people they greet me and look at me in such a way that I am quite reassured, because all their love, gratitude and confidence imposes responsibilities which could not easily ever be fully satisfied. And so I thank you for the confidence which was expressed here, and I would like you to approve my report and support the Government in its struggle."

Other Parliamentary Business

Parliament's Mandate Extended

The Bill proposing to extend the Assembly's mandate, submitted on behalf of the Legal, Administrative, and Judiciary Committee by Kalman Pongracz, drew attention to the fact that the Assembly's mandate would expire on 17th May 1957, and to the fact that Article XVIII of the Constitution stated that the National Assembly could declare an extension of its mandate for a definite period "in the event of war or other exceptional circumstances". Budapest radio, reporting this (19.10. 11.5.57), said that "the exceptional circumstances which arose after 23rd October 1956, and to which the preamble of the Bill refers, justify the prolongation of the National Assembly's mandate by two years. Article II of the Bill states that the mandate of the Presidential Council of the Republic is valid on the election of the Council by the National Assembly." The Bill was given a third reading after Imre Ahacs and Kalman Nagy had spoken in its favour.

Amendments to Constitution

Amendments to the Constitution of the Hungarian People's Republic were proposed in a Bill submitted by Erik Molnar, and reported by Budapest radio (19.15. 11.5.57) as follows:

"Paragraph XXII of the Constitution will be supplemented as follows: 'The highest organ of the State administration is the Council of Ministers of the People's Republic, the Hungarian Revolutionary Worker-Peasant Government.'

"Paragraph XXIV is replaced as follows: 'The Ministries of the Hungarian People's Republic are listed in a separate law.' The preamble to the Bill states that this modification is necessary because the former Paragraph XXIV lists, the Ministries of the Hungarian People's Republic, and in the past because of this, in every case of Government reconstruction, which in substance did not involve any modification of the Constitution, it had been necessary to alter the Paragraph XXIV of the Constitution accordingly.

"Paragraph LXVII of the Constitution deals with the coat of arms of the Hungarian People's Republic. Accordingly the coat of arms of the Hungarian People's Republic is a red-white-green (two indistinct words) shaped escutcheon on a light blue background, supported on both sides by wreaths of wheat. In the left-hand wheat wreath there is a red-white-green ribbon, in the right-hand one a red ribbon. The five-pointed red star on the top of the escutcheon emits rays of a golden colour.

"Paragraph LXVIII is modified as follows: 'The flag of the Hungarian People's Republic is red-white-green in colour.' This modification dispenses with the necessity to show the national coat of arms on the flag. The preamble states that it is not necessary that on the flag, which is itself the official emblem of the State, the coat-of-arms, which is also an official State emblem, should be shown."

Correction: New Members of Presidential Council

In Summary Part IIB, No. 827, p. 7 under sub-heading "New Deputies", second paragraph, instead of "The Assembly approved these changes and elected the following new Deputies on the recommendation of the PPF", read: "The Assembly approved these changes, and elected the following as new members of the Presidential Council, on the recommendation of the PPF: Karoly Kiss, Karoly Olt, Janos Peter, Ferenc (?Csepregi), and Andras Szobek."