

(H) - NEW HUNGARIAN AGRICULTURE MEASURES ANNOUNCED

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News Background

Munich, March 4, Collins... Hungarian President Istvan DOBI said yesterday (Sunday) over BUDAPEST Radio that the present police measures exercised by the KADAR government were only directed at the "counterrevolution." DOBI, who is also Chairman of the Hungarian Producers' Cooperatives (collective farms) promised Hungarian peasants that the KADAR government was not willing to return to the "ruthless and inhumane" methods which characterized past Hungarian Communist efforts to completely "collectivize" the Hungarian peasantry.

President DOBI, speaking primarily to the peasants, told his radio audience that Hungarian agriculture in 1957 must, if at all possible, make good the "shortcomings in industry."

Although President DOBI actual subject was the status of Hungarian agriculture and its tasks for the current year, over half of the speech described the harm which the October revolution allegedly caused the "peoples' socialist order" and in praising the economic aid which the other members of the socialist camp had and are extending Hungary.

DOBI had special praise for the Soviet Union. He stressed that the Hungarian nation was "deeply grateful" to the Soviet Union for intervening in the October events thereby saving the Hungarian nation from being the inevitable victim of an "atomic war." DOBI said "as the days and weeks go by, there are more and more people who understand the tremendous international sacrifice which was shouldered by the USSR."

DOBI said the "counterrevolution directed its attack against the "land reform... the institutions of the socialist transformation of agriculture and the producers' cooperatives." He said that the attack against the land reform was successfully repelled but the "position was more difficult" as regards the collective farms. DOBI pointed out that this was understandable since "last year thousands of working peasants were forced by inhumane methods to join the producers' cooperatives." According to DOBI, the peasants thus "collectivized" had no time to convince themselves of the "supremacy and advantages" of collective farming and left the collectives

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in "great numbers." DOBI maintained, however, that the "several million strong cooperative farmers stood their ground (ed. against the counterrevolution.) and were loyal to the state order of the peoples' Democracy."

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President DOBI also announced that "the wounds caused the cooperatives by the counterrevolution were already healing." He said that in past weeks alone the number of "new and voluntarily" formed collectives approached the 1,000 mark.

DOBI also admitted that in the past the Communist Party and government "committed many grave mistakes" in the agrarian sector. But, DOBI assured the peasants, the state administration has largely liquidated or will liquidate the consequences of the "incorrect agrarian policy of the past."

Among the new measures announced by the KADAR regime in the agrarian sector is the party February 26 resolution applying to agriculture which provide for "free buying" by the state of agricultural produce and for the production of certain crops "under government contract." Although details of this new policy are unknown, it is an obvious improvement over the old policy of "quota planning" and forced delivery at set prices which characterized the RAKOSI era. Under the new system of contract farming, it is thought that the individual peasant or collective will be free to plant any crop which is profitable and sell directly to the state at prices approaching or equal to market prices.

A recent government decree retroactive to 1 January also makes collective farms and Machine Tractor stations "independent" enterprises. According to Matyas SZOEKE (February 26), Deputy Minister of Agriculture, all MTS will henceforth have to meet their expenses without state aid and, further, have to hand over to the state "a certain portion of their profits." He said that the principal activities of the MTS would consist of agricultural operations, threshing, and hiring out machines, MTS would also, according to SZOEKE, be allowed to contract work from industrial enterprises. SZOEKE expressed the hope that under the new and simpler wage system, the MTS will become profit-making enterprises rather than enterprises in need of state support.

In connection with the new agricultural policy making collective farms "independent" of direct state control, a Radio BUDAPEST broadcast (February 27) stressed the need of planning and an exact accounting of all foreseeable expenditures. The broadcast emphasized that in the event that the collective requested a loan from the



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state, a strict accounting of expenditures from state funds would be required. Radio BUDAPEST pointed out that it would be advisable for all collectives to hire professional bookkeepers for this purpose.

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President DOBI in his address to the Hungarian peasantry also stressed the willingness of the government to grant loans to all persons and groups engaged in agriculture production. According to DOBI, the greatest support will be given to collective enterprises but aid will also be given to the individual peasants.

DOBI told the peasants, however, that the aim of state support "is and can only be to lay the foundations for collective, large scale farming..." He said that collective farms must strive to become profit-making enterprises since only in this way "can we convince individual farmers... that it is worthwhile to switch over to ... large-scale collective farming..."

In this connection, DOBI said that although the end goal of the government was the socialization of agriculture, "the government will never think of coercing peasants into cooperatives by unreasonable compulsion and by offending their dignity as humans or sometimes, by even cutting them to the quick."

In conclusion, DOBI pointed out that the abolition of "produce collection" had already brought a great many material benefits to the peasantry and that the "Decree-law" regulating land affairs provided the possibility of remedying infringements of law and long-standing grievances between the peasantry and the government.

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End.