

CURT SIROKY, HEGEDUES, (P) C. C. 1957 RESOLUTION
Munich, July 31, Monit/Leason... The Czechoslovak Premier, Viliam Siroky,

10 said in his speech at the opening session of the Czechoslovak National Assembly yesterday that the task of the new Czechoslovak five-year plan will be to complete the foundations of socialism in Czechoslovakia, including the socialization of agriculture. There were no indications in his speech that the "economic democratization" currently being promised in Poland and Hungary will be extended to Czechoslovakia. D40

Siroky said heavy industry will be granted priority in the new five-year plan and special emphasis will be paid to fuel, power and raw material production. The same pre-occupation with fuel and raw material production can be seen in recent Polish and Hungarian policy statements.

Siroky said results in the last few years "justify" the assumption that "we shall overcome difficulties in agriculture" and that by the end of the second five-year plan, the socialist sector of agriculture will acquire preponderance in land and total production. He gave no hint of any change in investment policy. In Hungary and Poland, industrial investments are being reduced by about 4 per cent. In his speech to the Seventh Central Committee Plenum, Polish Premier Cyrankiewicz revealed also that the sum of 13 billion zloty has been ~~allotted~~ ^{FOUND} by the regime for immediate improvements in workers' living standards.

Any increase in the Czechoslovak standard of living, Siroky said, depends on the "speediest possible" increase in labor productivity. Consistent with this requirement, he said it is expected that real wages will rise by a third by 1960.

Hungarian Premier Hegedues' speech to the Hungarian National Assembly yesterday and the Seventh Polish Central Committee resolution ~~published~~ issued last night were different in tone and extent of economic concession promised, FROM THE SIROKY STATEMENT.

Hegedues said those workers presently in the lowest category of wage earners will have their wages raised "within the limits of the funds available to us". He repeated the pledge made by the new First Secretary of the Hungarian Communist Party, Eno Gero, that compulsory state loans will be abolished this year and subsequently, saying this measure will make for a considerable increase of living standards "within a short time". Hegedues said the price reduction of May has also had an effect on the living standard. He admitted, however, that "the measures that have been ~~take~~ carried out so far are not sufficient to meet all legitimate demands."

The Polish resolution said the "fundamental premise" of the new five-year plan will be an increase of real wages by 30 per cent. In his speech to the plenum, Cyrankiewicz promised an "immediate" two year program designed to ~~raise living standards.~~

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raise living ~~standards~~ standards. Yesterday's resolution outlined a program for the improvement of living standards. Its main points were for changes in the structure of economic management, including that of decentralization; the increase in material incentives; "investment discipline"; the readjustment of agricultural policy to make possible a 25 per cent increase in agricultural production by 1960; and aid and protection ~~for~~ for small individual craftsmen and for small cooperative enterprises.

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The resolution contained more information on how the regime will alter its policy toward the kulaks. The "incentive of material interests" will be employed toward individual farmers as well as toward collective members. It said "it is necessary to consider as possible and purposeful" the abolition of compulsory milk deliveries on Jan. 1, 1957.

Hegedues said in his speech that the Hungarian regime will introduce a draft bill in the National Assembly "based on the principle that in the next few years we will further reduce the level of obligatory surrender of produce." Hegedues said the economic consolidation and an increased number of producer cooperatives will continue to remain the most important task of the party and government, but that at the same time the government intends to give "effective support to the simpler forms of cooperative farming."

The latter statement is reminiscent of a Polish Ministry of Agriculture and Finance decree specifying that farmers joining together in "teams" for common projects this year will receive priority in regime agricultural aid.

Hegedues said a new agricultural taxation system will be introduced which, "contrary to the former system", will not alter fixed taxes when an individual farmer achieves a higher income through increased production. Those peasants wrongly classified kulaks will have delivery arrears cancelled provided they fulfill their obligations to the state for two years; and a decree has also been approved which will cancel agricultural development taxes ~~and~~ these incorrectly-labelled medium peasants.

The Polish Central Committee resolution calls for the "making good of errors" committed toward medium peasants unjustly classified ^{as} kulaks. The resolution said the "only yardstick justifying the qualifying of a farm as a kulak farm is a lasting exploitation of labor in the form of permanent usury, letting of land, speculation, repayment in labor and so on."

The regime policy toward the kulaks, therefore, "should be flexible and varied"--as suggested by agriculturist Jerzy ~~rasinski~~ rasinski in the May issue of the theoretical journal Nowe Drogi. Restrictions employed should not result in the decrease of kulak production "as was the case in some regions of the country."

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The Polish resolution said it is necessary "to bring ^{an} an end the practice of making difficult the genuine division of farms among the children...(and)

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...the practice of making it impossible for some kulaks to reduce their
weakened farms if there is the possibility of taking over part of these
farms." It is also necessary to consider it "permissible" to ~~accept~~ accept
loyal kulaks into collectives if the village is agreeable. D42

The Polish resolution recommended that kulak farms having the possibility
for ~~normal~~ normal production should qualify "on certain determined conditions
for the assistance of the POM's (machine tractor stations)."

The resolution said ~~there~~ considerable reserves and possibilities for the
production of consumer goods lies in the expansion of small industry, work
cooperatives, crafts and cottage industry. State assistance and protection
should be extended to individual craftsmen. The latter are not of a "strata
alien to socialism," the resolution said, but on the contrary "should be
treated as an important supplement of the socialist state and cooperative
industry..."

The Polish Central Committee resolution was based on the "tragic events
at Poznan" which have "cast a new light upon the political and social
situation of the country." The process of democratization, the making good
of bureaucratic distortions is being carried on in a situation where,
"particularly among the workers and the working intelligensia", there is an
accumulated feeling of disappointment over the unfulfilled hopes for a
genuine improvement of living standards during the six-year plan. The party
leadership "underestimated" the need for a "particularly ~~solicitous~~ solicitous
and operative approach" to the "just postulates of the workers--postulates
which were possible to be met..."

An "immensely animated, fertile discussion" has been taking its "sharp
and painful course" since the death of Bierut in ~~the~~ ^{an} atmosphere of shock
resulting from the admission of "the truth of the serious mistakes committed
by Stalin" and from the revelation "of the provocation, the victim of which
was the KPP, the communist party of Poland..."

The resolution said "propaganda and the press" have made an "appreciable
contribution" to the "process of democratization" but at the same time
symptoms of "one-sidedness have occurred--the overstressing of the subjective
and the underestimating of the objective causes of our difficulties..." These
were much kinder ~~words~~ words for the ~~Polish~~ Polish writers than those uttered
by Soviet Premier Bulganin when he was in Warsaw for the regime's "National
Day" celebrations last week.

As a result of the heated discussions, there has ~~been~~ been an "ideological
disarmament" among some of the party active and among some party members.
Delays in correcting violations of socialist legality have prolonged the
period of criticism of the security apparatus and this ~~has~~ ^{the} ^{also} led to a
partial "demobilization" in security organs. All these elements have led to

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a weakening of party vigilance.

Poznan was an intensified manifestation of these failings.

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Premier Hegedues said it ^{is} ~~was~~ to be expected that following the Hungarian Central Committee's resolution, the misunderstanding existing with some Hungarian writers "will ultimately be solved" and that in the future they will serve the nation.

Siroky said there have been "serious shortcomings" in Czechoslovak cultural institutions and organizations and called for an intensification of efforts to educate "a new socialist intelligensia..." He said the regime trusts that "the creative conclusions of the 20th Congress of the CPSU and the magnificent prospects of our second five-year plan will imbue our poets with enthusiasm, will inspire our artists and writers to great creative activity..."

Speaking of decentralization in Czechoslovakia, Siroky said more responsibility for lower organs involved the "need for improving the work of all organs of the state and economic apparatus, for strengthening state discipline."

Siroky said this year's defense budget is 7.9 per cent lower than 1955's and that its share in the total budget is reduced from 12.1 per cent to 10.7 per cent.

Hegedues said Hungarian "defense" expenditures will be 35 per cent less than in 1953.

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