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Bulgarian Perspective on VMRO-DPMNE Split

92BA0345A Sofia DEMOKRATSIYA in Bulgarian 18 Dec 91 p 5

[Article by Marin Raykov: "Bulgarophobia—The Last Entrenchment of Communism in Vardar Macedonia"; for Belgrade VREME article on this issue, see FBIS-EEU-91-244, 9 December 1991, pages 43-45]

[Text] "The threat of Bulgarianizing the Macedonian Republic" is the new propaganda hit constantly mentioned on the pages of the communist press in Vardar Macedonia. On this occasion, the campaign waged against the democratic opposition represented by the VMRO-DPMNE [Internal Macedonian Revolutionary Organization-Democratic Party of Macedonian National Unity] was carefully prepared and launched precisely when it withdrew its participation from the power structures. After the information media had been promoting in society, purposefully and over a period of a number of months, the impression that the emigre Dragan Bogdanovski had been the "conceptual father" of the VMRO-DPMNE, said individual finally signaled the open execution of Operation "Wedge" within the Macedonian opposition.

The reason for the charges of "Bulgarophilia" and "national betrayal" that Dragan Bogdanovski made against opposition leader Ljupco Georgievski was the meetings held by Mr. Georgievski with the Macedonian patriotic organization, which is the most influential group of the Bulgarian-Macedonian diaspora in the United States and Canada. The statement made by the VMRO-DPMNE chairman to the effect that, in the free world there are only three categories of Macedonian emigres—Macedonian Bulgarians, Macedonian Serbs, and Macedonian Greeks—was interpreted as an attempt to eliminate the legacy of the Comintern, which, several decades ago, proclaimed the Macedonians as being a nation distinct from other Bulgarians. Actually, that same Bogdanovski wrote with concern about the increased activities of the "Bulgarian wing" of the VMRO-DPMNE and the "Bulgaromania" of the former political prisoners in Macedonia.

It is obvious that the laws governing the democratic process are stronger than the efforts the Krushevo supporters of Tito's dictatorship are making to adapt Serb-Macedonianism to the new political circumstances. In Macedonia, people are already freely writing about the long-term efforts to instill in society the "Macedonian B-complex"—that is, the fear of identifying oneself as a Macedonian Bulgarian. Nonetheless, the communist team that rules Skopje is continuing to hold to the dogma of the sinfulness of any contacts with Bulgaria it does not control, whereas the opposition is constantly forced to justify its desire to break the artificial chains of Bulgarophobia. It is no accident that the $200 barrier of mandatory foreign currency exchange has been kept for Bulgarians who visit relatives past Osogovo. Also continuing are the hostile propaganda improvisations on the subject of Bulgaria's readiness to recognize Macedonian independence.

Ukraine, recently independent, assumed commitments concerning the rights of the 300,000-strong Bulgarian minority on its territory. Along with the establishment of diplomatic relations, this created additional prerequisites for close Bulgarian-Ukrainian cooperation. In Skopje, the political forces backing NOVA MAKEDONIJA have found a way to combine their demand for the recognition of the republic with restricting all Bulgarian presence in it and with statements such as Bogdanovski's on the need "to separate from Bulgaria Pirin Macedonia as well" (NOVA MAKEDONIJA, 4 December 1991).

The efforts to infiltrate the Macedonian opposition by people such as Bogdanovski, who suffer from Bulgarophobia, are part of the overall atmosphere prevailing in Macedonian political life and are a desperate attempt to impose upon it a "nurtured opposition," which would reject the Titoist nature of Macedonianism, but not any artificially instilled anti-Bulgarian concept within it. Will Bulgarophobia become the last entrenchment of communism in Vardar Macedonia? The answer to this question will determine the place of the Republic of Macedonia in the new Europe that is taking shape and also, perhaps, Balkan stability.

Disapproval of Greek Government's Balkan Policy

92P20110A

[Editorial Report] Athens I KATHIMERINI in Greek on 5 January on page 9 publishes an editorial focusing on the new situation in the Balkans. "For the first time in history," says the editorial, "our country is lucky enough to have on its northern borders weak, contested, heterogeneous and problematic countries." The editorial goes on to list them: "Artificial 70-year-old Albania," rife with ethnic and religious minorities and presenting the "unique" advantage of being a "bridgehead" of 400,000 Greek-speaking Orthodox people; "formerly powerful" Yugoslavia, now fast crumbling, that produced the "Skopje statelet of doubtful stature that is threatened from all sides"; Bulgaria, "perhaps the most homogeneous state to our north," but experiencing domestic and economic problems and saddled with a government "subjected to a Muslim minority of 2 million people." The editorial compares these countries with Greece, a "homogeneous, united country, a member of the EC endowed with a production potential many times that of its neighbors, with strong alliances and, above all, the experience and social structures stemming from many years of political, cultural and economic free life." Under these conditions, the editorial continues, the countries to the north can be perceived as the "physical hinterlands of a relatively more developed center represented by our country, and more specifically northern Greece." How, then, is it possible, the editorial asks, that given these favorable circumstances, "Greece has been

unable to exploit them, attempting instead to draft a Balkan policy practically by itself?"

I KATHIMERINI on 4 January on page 9 carries an editorial on the same subject, but from an economic viewpoint. Greek influence on Skopje in general, and on the "destabilized" Balkans in particular, is mainly economic at this time. The Orthodox, ethnic Greek peoples of Skopje, Albania, and other areas could become "Greece's best ambassadors in the Balkans" with the assistance and cooperation of Greek entrepreneurs. An "endless" variety of goods could be produced in low-cost Skopje by small- and medium-sized joint ventures using Greek capital and know-how, and also be exported to third countries. However, these projects can only materialize if the government provides the necessary coordination instead of leaving the initiative to isolated private enterprises, as has been the case in Russia and other Commonwealth countries. The "weapon" of Greek economic superiority in the Balkans "should not remain unexploited," the editorial concludes.

I KATHIMERINI on 29 December on page 11 publishes an editorial scoring the "audacity" shown by Skopje and Albania vis-a-vis Greece, after Albania accused Athens of violating human rights by deporting illegal immigrants back to Albania, and Skopje disregarded EC decisions, persisting in using the name "Macedonia." "Audacity," the editorial notes, "bears no relationship to courage" and it behooves the Ministry of Foreign Affairs to question the audacity of Skopje and Albania, "which are certainly in no position to threaten Greece." Perhaps, the editorial suggests, the Ministry should change its stance from "defensive" to "claimant" if this is the only way to browbeat these two entities.

I KATHIMERINI on 1 January on page 7 publishes an article by Odh. Zoulas reminding its readers that five months ago he had advocated an "offensive" policy in the Balkans, an initiative publicly announced two months later by Foreign Minister Andonis Samaras. However, Zoulas notes that such a policy has not been implemented to date and that all moves in the Balkans were made along a "defensive-apologetic" policy, which is only doomed to failure. In the case of the "Republic of Macedonia," a Greek offensive policy should aim at the "territorial disappearance" of this entity, since "Greece cannot live with a louse on its back." A "Macedonian Phalanx," with Alexander the Great as a symbol, should be created to train and move in an offensive mode alongside the borders with Skopje. While Prime Minister Mitsotakis stated on 20 December that "no one knows what will happen in Yugoslavia," Zoulas comments that "everyone knows what the course of events will be: this broken-up area will give rise to the creation of new statelets and perhaps even a kingdom; border changes are a fact." Describing the 2-million-strong Skopje poulation, Zoulas lists "250,000 pure Greeks, 250,000 Serbs, 200,000 Muslims, 750,000 Albanians, 300,000 Bulgarians, 50,000 Gypsies, and 200,000 people of undertermined origin," remarking that this "ethnological monster" is called "Macedonian statehood," and predicting that a "territorial sharing between Greece and Serbia is in the cards." While the press can speak without fear of diplomatic misunderstands, Zoulas concludes, "no one can disagree with the drafting of an offensive policy when, from the Kurds in Turkey to Zagreb, everyone is following such a policy."

I KATHIMERINI on 5 January on page 4 carries an article by K. Iordhanidhis criticizing the government for "lost opportunities in the Balkans." The failure of the Athens talks between the Greek Government and representatives of Skopje proves that while it dreams of playing a principal role in the area, Greece must now face "total isolation" in it. Iordhanidhis quotes diplomatic observers as saying that, "for some unknown reason," the Greek Government is following a policy of "defensive entrenching wholly unsuited to the present climate and doomed to failure," while it ignores a "unique" opportunity to project Greek influence beyond the country's frontiers into weak border states such as the Skopje Republic. The political world's "tragic disadvantage," Iordhanidhis continues, is that it has not perceived the changes in events and methods that now determine the process of "ensuring vital influence zones," presently a main element in the foreign policy of Western European countries after the fall of the communist regimes. Iordhanidhis again quotes Athens diplomatic sources as saying that the Greek side would not be faced with these difficult issues and dilemmas were it not for the fact that its policy is determined by the kind of "defensive entrenching" that will fail to "extend Greek cultural, political, and economic influence beyond our borders."

Legislative Commission Official on BSP Aims

92BA0171A Sofia DUMA in Bulgarian 18 Nov 91 pp 1-2

[Interview with Yordan Shkolagerski, deputy chairman of the National Assembly Legislative Commission, by Dora Chichkova; place and date not given: "The Confiscation of Party Property Could Boomerang"]

[Text] [Chichkova] According to the compliments paid to it by the unofficial press, the party of kleptomaniacs and parasites is proving to be stubborn and refusing to give back what it plundered from the people. Mr. Shkolagerski, is it an accident that the objections to the draft law on returning the confiscated state property are meeting such strong objections?

[Shkolagerski] On the contrary, the rulers do not even conceive of the idea that the BSP [Bulgarian Socialist Party] will not give back the property it acquired during the totalitarian regime. That is precisely why they are hastening to obstruct it, to deprive it of the possibility of taking such a step so eagerly expected of society, a step that will be the latest proof that it has changed. What is ignored here is that a high percentage of the property has already been restored. The proper statements and declarations have already been filed for the rest of the property. There also are issues about which the democratic nature of that party requires it to make a statement to the most representative forum—the congress.

[Chichkova] According to the title of the law, only that that was taken away from the state should be returned; according to the content of the law, that should involve all BSP property. The presumption is that that party has nothing of its own.

[Shkolagerski] That party has its own property, which can be proved. By law, it has been given back the property that was confiscated from it before 9 September 1944 and compensated for property that was not restored to it subsequently. In addition to membership dues and donations by sympathizers, these are assets that were not confiscated by the state.

However, the draft law is not interested in this. It is at this point that another question arises. The court is considering a claim filed by Minister Kostov on refunding amounts that the BSP unjustifiably received from the state. The reasons cited indicate that the contributors of such funds view this as the loss of state property. If this controversy can be resolved by the courts, why would the passing of a special repressive law be necessary?

[Chichkova] The kindness of the rulers, it is being said. Meeting the claim filed in court would not only lead to confiscating all BSP property but also put the party in debt.

[Shkolagerski] This does not involve any kindness. For the claim filed by Kostov to be satisfied, the claimants must prove their claim that the party acquired these assets and that they were not spent according to their stated purpose. Obviously, in their casem this presents an insurmountable difficulty. That is why they are resorting to the easier method: confiscation based on a law. Such a law does not require proof. All it takes is a parliamentary majority.

[Chichkova] Incidentally, yesterday Mr. Dzherov said on the radio that changing the title of the law would cause no problem. In your view, what would be the most suitable title to express the content of this law?

[Shkolagerski] The content of the draft law dictates a single title: "Law on the Confiscation of all BSP Property and Prohibition of Acquisition of Such Property in the Future." This prohibition is based on Paragraph 2 of Article 1. It stipulates that taking away and restoring real estate must be based on the list appended to the law. The list is not final and could be extended by the minister of finance, should it be determined that the BSP has other real estate as well. Even many years into the future, the party could acquire property, and the minister might include such property on the list. That would make the confiscation of this property possible.

What this actually means is a law prohibiting the existence of the party. To be absolutely accurate, that is precisely its purpose: to make the BSP disappear from Bulgarian political life in the near future.

[Chichkova] Does our legislation include any law similar to this one?

[Shkolagerski] No such law exists in the current legislation. However, if we look back, we could find the prototype of this law in the Decree-Law on Liquidating the Property of Dismantled Party and Political Organizations of 1934. A comparison would indicate that the authors of today's draft law have borrowed the structure and a high share of the content of the old law. All they have rejected is the means to be used for the confiscation of the property. However, the administrative procedure accepted in the draft law of Filip Dimitrov is consistent with the procedure stipulated in the 1934 Law on Confiscating the Property of Illegal Organizations by the State.

[Chichkova] Article 4 of the law stipulates that if I, for instance, have allowed my own home to be used by a party organization, free of charge, it may be taken away from me. Is this the case?

[Shkolagerski] Yes. The presumption is that any property that is owned or used by the BSP belongs to the BSP, and, consequently, it can be confiscated by the state.

[Chichkova] How can I regain ownership?

[Shkolagerski] Through the courts, if you have the necessary funds to sue, because court proceedings are no longer inexpensive. Judicial control is not stipulated in this draft law.

[Chichkova] This law bothers me also because it calls for very severe penalties, such as prison terms of five to 10 years. What is the justification for such a punishment?

[Shkolagerski] Indeed, in terms of the penalty, the draft law is stricter than its 1934 prototype. This also violates the principle of codifying penal laws, which is the exclusive prerogative of the penal code. It also considers making false declarations a crime. However, the stipulated penalty is much lighter.

The penal stipulations in this draft not only are harsher but also create new crimes that apply to all citizens. The law allows the minister of finance or any specialized authority to demand of any citizen he may choose to submit a statement on the origin of his property. Such random selection makes it possible to paralyze the activities of anyone who may be oriented toward the BSP. It is an obstruction. If you sympathize with the BSP, it is possible that a statement may be demanded of you immediately, and the threat of criminal prosecution is clear.

[Chichkova] All physical and juridical persons must assist the minister of finance. But, then, if I disapprove of this law without hindering its application, on what grounds should I be forced to help?

[Shkolagerski] That is what the law says. The law is not interested in your attitude. It regulates a behavior. If you are asked to assist and you refuse, you create an obstruction.

[Chichkova] And five years in jail?

[Shkolagerski] As many as 10.... The meaning of this text is, above all, to prevent any protest on the part of socialists or BSP sympathizers. If people gather in front of something that is being confiscated and try to obstruct the administrative authority, they are guilty of a crime.

[Chichkova] According to a PSSD [expansion unknown] motion, this draft law should be considered along with the law on the property of political parties.

[Shkolagerski] The same opinion was expressed at a meeting of the Legislative Commission. It is my hope that we shall jointly determine which is the better law—the one that confronts society or the one that settles once and for all the question of the property of any given party.

[Chichkova] Confiscation was used also in the case of other former ruling parties in the former socialist countries.

[Shkolagerski] In this case, analogies would not be accurate. Over the past two years, the BSP proved not only its desire to change but also the fact of changing. Even during its most difficult times, it acted in such a way as to maintain civil peace. A peaceful transition is the greatest achievement of any ruler in the world. A party that proves that it is the generator of democracy will in that case be treated like any other party that has proved the same. Actually, on two occasions, the BSP was rated by society through democratic elections. This cannot be ignored and constitutionally protects it from being repressed with such a law.

[Chichkova] Considering the situation in parliament, however, hardly anyone doubts that, regardless of anything else, this law will be passed.

[Shkolagerski] In that case, I will be the only one who doubts that it will be passed as it was written. The way it was written, its purpose is more to satisfy expectations triggered in the course of the electoral campaign in the SDS [Union of Democratic Forces] electorate. However, meeting the demands of some segment of public opinion is one thing, and justice, which is required of any law, is another. I am not convinced that the ruling party would allow the National Assembly to pass an unfair law because that would label itself it as an undemocratic force not only at home but also throughout the world. I believe that reason will prevail and that one cannot confiscate everything without differentiating between grounds for possession and means of acquisition and the type and purpose of property or the prohibition of any future acquisition of property.

However extreme the mood may now be, the SDS will have to realize that it is now a ruling power and that it bears responsibility for democratization throughout society. This will determine its political future as well. After a while, God willing, everything will get back to normal, and there will be other elections.

Slovak Declaration of War on U.S. Disputed

92CH9237A Bratislava SLOVENSKY NAROD in Slovak 16 Dec 91 p 4

[Article by Jozef Kirschbaum: "Truth About the War With the United States"—first paragraph is SLOVENSKY NAROD introduction]

[Text] Some time ago assertions that the Slovak Republic declared war on the United States and the Allies appeared in the Slovak press and Radio Free Europe. During World War II, and especially after 1948, the new Czech emigres and some Czechoslovak-oriented Slovak emigres who were associated with them used, or more correctly, misused this assertion against those Slovaks in exile who defended the right of the Slovak nation to its own, internationally recognized statehood. Mainly for that reason we decided to publish the contribution written by J. Kirschbaum, which recently appeared in the well-known Slovak emigre journal POHLADY (No. 14).

During World War II, Dr. Eduard Benes and his propaganda were spreading this falsehood in order to make it impossible for the American and Canadian Slovaks to work for the preservation of Slovak independence. Everyone who held the opinion that Slovaks deserve independence was to be painted as an enemy of the United States and the Allies and thus silenced, so that Czech propaganda would have a free field. Dr. Benes and his followers wanted to return to Slovakia, rule over Slovakia, hang, shoot, and imprison Slovak patriots, and they used any means that could, in their view, serve this purpose. The assertion that the Slovak Republic declared war on the United States was an effective weapon in that situation.

After the war, when thousands of Slovak exiles found their way to the free world and began to work for the realization of the idea of Slovak independence with the effective help of the older Slovak emigres, the Czech propaganda again brandished this weapon. A considerable number of the Slovak emigres held responsible positions in the Slovak Republic in the parliament, the diplomatic corps, state administration, etc. But all of them were to be presented to the free world as enemies of the United States, so that there would not be anybody to defend the Slovaks' right to independence—a right which nobody today denies to any nation, and which since the end of World War II is being granted to dozens of tribes in Africa and Asia, as well as to various small islands. The Czech emigres, who after their unsuccessful collaboration with communism left for the West, also want to draw on the funds, which the free world is contributing to the fight against communism and the liberation of enslaved nations, either for themselves alone or only together with those Slovaks who agree to Czech domination over Slovakia. Those are the main reasons why even today there is still talk about Slovakia having been at war with America.

But What Is the Truth?

Already in 1951, the Hon. James H. Duff, member of the U.S. Senate, asked the State Department to clarify this question. Immediately after the war, the chairman of the Slovak League in America also asked for a clarification, but despite many requests he never received an answer. On 5 March 1947, Filip Hrobak asked Secretary of State Gen. G.C. Marshall himself to have the State Department give him a copy of the document declaring war on the United States by the Slovak Republic. On 27 March 1947, F.T. Williamson sent Hrobak a reply on behalf of Secretary of State Marshall, saying that the United States has not received a formal declaration and neither did it take cognizance of the report by the German press office DNB, published in THE NEW YORK TIMES on 13 December 1941. "According to the opinion of a high official," writes Mr. Williamson, "the declaration of war was prepared by Dr. Tiso and Dr. Tuka proclaimed it publicly without reporting to the government and the parliament." The name of the official who so "informed" the State Department was not revealed.

In the reply received by Senator Duff, the State Department expressed matters more clearly. The document without any doubt shows that not only was there no declaration of war on the United States by any Slovak authorities with the power to do so, but also that an actual state of war did not exist. The document clearly says that:

1. The United States did not receive any formal declaration of war by a diplomatic route from the Slovak Republic.

2. The State Department "does not have any evidence" that the Slovak parliament even discussed such a move, as required by the Constitution of the Slovak Republic.

3. "A thorough study of the State Department archives did not reveal any information that Slovak and American troops ever came into direct contact...."

4. The State Department learned that the Slovak Republic was supposed to have declared war on the United States only from the report by the German press office DNB, which was delivered to the State Department by Rev. Pelikan, Benes' supporter in the United States, and from the report of the Slovak Press Office [STK], which was obtained after the war by the U.S. Embassy in Prague.

As is also clear from the above mentioned State Department reports, from the viewpoint of international law there were no substantive indications that a state of war between the United States and the Slovak Republic existed, because not only was there no declaration of war, but there were no military action by the Slovak Republic against America either. Which is of prime importance for judging this question. But there is more. The State Department confirms that there was no legal declaration of war against the United States even from the viewpoint of the Slovak Republic's own law, since

the parliament did not discuss the matter nor did it empower the president to issue a declaration of war. Anyone who lived in Slovakia knows that the Slovak parliament indeed did not discuss this question, and President Tiso, whose collaboration the Constitution of the Slovak Republic required in order for the declaration of war to be valid, specifically requested the communist court in Bratislava to submit to him proof that he did give consent or that he himself declared war against the United States. Well, not even the communist court could provide such proof.

How Did Report of War Between United States and Slovak Republic Originate?

How then, in view of what we said above, is it possible to explain the report of the German press agency and the STK from 13 December 1941 that Slovakia finds itself at war with America?

The answer can be found in the political situation in Slovakia following the visit of Slovak politicians to Salzburg in 1940, where a small group of Slovak politicians with Dr. Tuka at their head looked for support from the Germans for their personal ambitions and domestic political goals, one of which was to remove the president and the other to shunt the parliament onto the side lines. From time to time these people would come with pronouncements or proposals designed to place the president or the parliament into an ever more awkward position, so that he would either give up or become compromised and thus forced to resign. The solution of the Jewish question was part of this. The proclamation that the Slovak Republic by the fact that it joined the Tripartite Pact (pact between Germany, Italy, and Japan) finds itself in a state of war with the United States, was one such move made through the STK without the consent of the president or the parliament. The STK was at that time under the total control of the above mentioned group, and such a proclamation was designed to provoke a protest from the president and the parliament, and that protest in turn to provoke the Germans to interfere. But the president and the parliament did not fall for this intrigue, and since the STK proclamation was illegal and unconstitutional and as a result not even binding on the Slovak Republic, the president as well as the parliament treated the whole matter with silence, which in the given situation appeared to be the most appropriate policy.

The president as well as the parliament rightly assumed that for serious people, and all the more for the politically minded, proclamations of this kind cannot have any significance and cannot be taken seriously at all. Well, for the Czech and anti-Slovak propaganda during as well as after the war this proclamation became one more weapon. The Slovak cause and the Slovak emigres suffered many an undeserved injustice because of it, and therefore the response of the State Department has at least a moral significance for the Slovak exiles, inasmuch as it helped to refute another lie of the proponents of the Czechoslovak Republic, much used by them to help fight the efforts in behalf of an independent and democratic Slovakia.

From the legal and political point of view, however, this question can never have a direct relation to our right to independence. During World War II dozens of states not only declared war against, but effectively were at war with, the United States, and in spite of that after the war nobody denied them the right to their own state. But in the Slovak case, Czechs and their Slovak adherents have used every weapon against the effort to achieve Slovak independence, and therefore for the sake of truth and history we are taking up this question again.

Legal Basis of Republic's Continuity Analyzed

92CH0241A Bratislava KULTURNY ZIVOT in Slovak 26 Nov 91 p 4

[Article by Jan Rychlik: "Disservice to Slovakia"]

[Text] According to the constitutional law on Slovak autonomy dating from 1938 (No. 299/1938 Czechoslovak Law Gazette) the question of the state setup continued to be left exclusively to the then National Assembly, which discussed matters of nationwide importance while maintaining the suspension of majority rule. The Slovak Diet did not have the right to decide on its own about the secession of Slovakia from the republic; from the viewpoint of the Czechoslovak law it was an invalid act. The assertions of Messrs. Miklosko and Carnogusky that the proclamation of Slovak independence on 14 March 1939 was in accord with the constitution therefore are not consistent with the facts. On the contrary: From the viewpoint of criminal law, the deputies of the Slovak Diet, among them Jan Carnogursky's father, Pavol Carnogursky, committed a criminal act according to law No. 50/1923, Czechoslovak Law Gazette, on protection of the republic.

A formal legal viewpoint, it is true, is not decisive in the given case, because the proclamation of the independence of Czechoslovakia on 28 October 1918 was, after all, treason according to Austrian law. More important is the fact that the Diet of the Slovak Republic did not have the moral right or the mandate of the Slovak populace to declare independence, because it did not represent anybody. It was elected by dubious means on 18 December 1938. The election was called on 25 November 1938 and the deadline for registering candidates was set for 26 November 1938, which in the year 1938 was a Sunday. The opposition therefore was unable to register their slates of candidates. In addition, all political parties which refused to merge with Hlinka's Slovak People's Party (HSLS) had their activities suspended or were banned.

So on 18 December 1938 the voters voted "democratically" for the unified slate of Hlinka's Slovak People's Party, while at the same the Ludak press publicly threatened with concentration camp those who would dare to vote against. Hlinka's Guard assisted at the ballot boxes,

in many places the secrecy of the ballot was compromised, and in some communities there were separate voting rooms for Czechs and Jews. More than 90 percent of the votes allegedly given to the HSLS slate cannot therefore be taken seriously, same as 99 percent of the votes given to the consolidated slate of the National Front during elections in communist Czechoslovakia.

Finally, the voting itself in the Diet on 14 March 1939 was not guided by the effort to realize the right of the Slovak nation to self-determination; the Diet did not make a decision until after the return of the Prime Minister of the autonomous government, Jozef Tiso, from Berlin and after he gave his report on his discussions with Hitler. Hitler, as it happened, issued a threat to Tiso that in case Slovakia does not proclaim independence, it will be either occupied by Hungary or divided amongst Hungary, Germany, and Poland.

The question whether Slovakia existed as an independent subject under international law between 1939 and 1945 is disputable, and there have been long debates about it already since 1945. True, Slovakia was recognized by many countries including the USSR, Poland, and de facto also by France and Great Britain. But at the same time these countries refused to recognize the occupation of Czechoslovakia and continued to have Czechoslovak representations on their territories. Great Britain, France, and Poland severed all contacts with Slovakia after the outbreak of the war; they considered it a German-occupied territory and acted toward it accordingly. Finally, even the Slovak ambassador in Warsaw, Ladislav Szatmary, and the Slovak consul in London, Milan Harminc, refused to obey the Bratislava government after the outbreak of the war. In France there never was a Slovak consul, and French officials continued to consider Stefan Osusky, by coincidence a Slovak, to be the legitimate Czechoslovak ambassador. The United States never recognized the Slovak Republic, and in Washington Czechoslovak Ambassador Vladimir Hurban, also a Slovak, continued to perform his official duties. The USSR, because it occupied the eastern part of Poland as a consequence of the Molotov-Ribbentrop Pact, recognized Slovakia de jure on 17 September, but when the Slovak State joined the German invasion of the USSR (22 June 1941), it ended all contacts and subsequently recognized only the Czechoslovak Government in London. Slovakia declared war on Great Britain and the United States on 12 December 1941; however, these countries did not recognize the Slovak Republic and therefore did not take cognizance of the state of war.

But the question whether Slovakia was or was not a subject of international law, same as the speculation about whether the declaration of independence was or was not legal, has no bearing on the basic question, namely the issue of the continuity of Czechoslovakia after 14 March 1939. According to the principles of international law, in the event that a part of a state's territory secedes, the international legal subjectivity remains in that part which did not secede. Therefore, on 15 March 1939 Czechoslovakia continued to exist, albeit on a smaller territory. The fact that on that very day the German army occupied even this territory has no relevance, because this occupation was not recognized by anybody—with the exception, of course, of Germany and the countries dependent on it. Czechoslovakia therefore has in fact existed from the legal point of view without interruption from 1918 to the present.

Mr. Carnogursky's theory is unacceptable. No political representation in the Czech lands can accept it because it calls into question the frontiers with Germany and raises the possibility that, sometime in the future, this issue will again be put on the table. But this theory does disservice mainly to Slovakia. If Czechoslovakia did not in fact continue to exist without interruption also during the years 1938 to 1945, then it means that the Slovak-Hungarian frontier is also called into question because after the so-called Vienna Award of 2 November 1938 it was located much further north than at present. To claim continuity with the Slovak state of 1939 therefore means to give up southern Slovakia. And, what is more, regimes such as the Ludak dictatorship in 1938-45 cannot be considered as something that ornaments a nation, and it is therefore better not to operate with it on the world stage.

Havel's Draft Election Law Called Controversial

92CH0232A Prague RESPEKT in Czech 22 Dec 91 p 4

[Article by Vladimir Mlynar: "The President vs. the Parliament: Two Drafts of the Election Law"]

[Text] On 10 December, President Havel submitted his draft of the election law to the Federal Assembly. However, on Friday 13, the members still had not received the text: Allegedly it had not yet been possible to make copies of it. Furthermore, last week the political advisory body in the parliament decided that the law, together with a package of other drafts by the president, would be discussed by the plenary session some time in January next year.

Ultimately the decision as to how we will vote and to which legislative bodies we will elect representatives next year will be made by the members of the Federal Assembly. The belligerence with which they are preparing for the debate on the president's draft indicates that we should expect another conflict between the head of state and the Federal Assembly.

The Proportional and the Majority Systems

On the whole, electoral systems can be divided into two groups: proportional and majority systems. In the proportional system, the citizen votes for parties or movements, which divide up the seats according to the percentage of votes won in the elections. The percentages from the parties that did not attain the minimum limit are divided proportionally between the parties that got in. This system primarily focuses on parties, and its unquestionable advantage is that it eliminates miniature

parties. Its disadvantage is lack of clarity; the voter does not know precisely who will represent him in the house of representatives.

In contrast to this, the majority system favors individuals at the expense of political parties. Electoral districts are small (their number is equal to the number of members' seats) and the individual who receives the legally stipulated number of registered votes—usually more than one-half—wins. This system makes it possible for representatives of small and regional parties or groups to get into the legislative body. However, it also guarantees clarity to the voters: they know for whom they are voting and their obvod will always be represented by one specific member.

The election law according to which we voted two years ago is based on the proportional system. However, the voter was able to influence the order on the party ballot through the so-called preferential vote and thus move his candidate ahead.

The Members' Draft

Eleven members from eight different parties submitted a draft of an amendment to the election law several weeks ago. Their amendment retains the present proportional system and merely concentrates on changing some deficiencies in it. The present law, for example, does not allow CSFR citizens living abroad to vote. Therefore the members suggested a so-called mail-in alternative, whereby a citizen would be able to vote "by mail." Furthermore, they would like to amend the conditions that must be met by those parties that wish to run: only parties or movements that have 10,000 registered members may take part in the election. However, if they do not have enough members, they may supplement the shortage with signatures of citizens who support the party's participation in the election. Parties that are in parliament at the present time or those that received at least 10,000 votes in the last elections can run unconditionally.

The draft offers two alternatives to resolve the issue of the parties' access to television and radio. The first divides the total 35 hours of assigned air time equally between all parties, the other only divides 15 hours between all parties, and the remaining 20 hours are made available to parties that have a members' club in the present FS [Federal Assembly].

The final amendment in the members' draft is a paragraph that enables a political party to demand a candidate to submit a screening verification. However, one of the initiators of the members' draft, Petr Kucera (Civic Movement), had this to say: "In my opinion, screening the candidates should be mandatory. The voter has the right to know everything he can about a candidate; at that point it is up to him how he chooses to vote. The OH [Civic Movement] will obviously submit a draft for an amendment in this spirit."

Two Hundred Election Obvods

In contrast to the members' draft, the president's proposal wishes to radically change the former election law: It is based on the majority system which is occasionally supplemented with elements from the proportional system.

The number of election obvods should be equal to the number of seats in parliament. (If the president's proposal to establish a unicameral parliament and a Federal Council is accepted, there should be 200 of them, according to Havel. Thus there would be approximately 50,000 voters per election obvod.) A party or a coalition of parties—the law calls them electoral alliances—may only put forward one candidate. The conditions for running are the same as in the members' draft: either the candidate is proposed by a party with a base of 10,000 members, or he himself submits 1,000 signatures from the appropriate election obvod.

In the president's version, the ballot should only list the names of the candidates, followed by the name of the party that put them forward in parentheses.

The order of the names on the ballot should be determined by drawing lots. Havel's draft also assumes 35 hours of air time in the state media, which he wishes to allocate as follows: 20 hours divided equally between all participants and the remaining 15 hours between the parties officiating in the present FS.

Two Votes

An innovation in Havel's draft is the proposal to introduce two votes for each voter. The first vote would go to the candidate preferred by the voter. The second may (but need not) be given to the individual whom he would support if his first-choice candidate did not get in. If the voter has no particular preference for any one candidate, he may submit just the second vote. However, he may not double his vote: i.e., allot two first votes or two second votes. The nontraditional system of two votes resolves the problem of the second round of voting, which is common in the classical majority systems and in which generally fewer voters participate.

The candidate who receives more than one-half of the registered first-choice votes wins the election. If no candidate exceeds this minimum limit, the individual who received the majority of votes after the first and second votes have been added, wins; however, this only applies as long as at least 40 percent of the voters altogether voted for him (through their first or second vote). If, even under these circumstances, the seat remains unoccupied, it will be assigned using the proportional system.

The central election committee will first decide how many valid votes the parties received and will eliminate those who did not reach the set 5-percent limit. The seats that are still unoccupied will then be assigned within the framework of the "second" round.

The first and second votes given to candidates in obvods where no one was elected will be given to the parties that put them forward. In such a case, the order of candidates on the party ballot will be determined according to the number of first and second votes, which were admittedly insufficient to give the candidate a clear victory but act as preferential votes at that point.

Depending on the number of votes that the party obtained in hitherto unoccupied obvods, the number of seats it will be assigned will be calculated with the help of mathematical redistribution (the so-called d'Hondto principle). The number of votes obtained will be divided by the number of seats, and the results of the division will be arranged according to size. The order of the numbers obtained will determine the members' seats that each party will ultimately have.

A party that proposed a candidate who received more than 2 percent of the votes will receive 6 Czechoslovak korunas for each valid vote from the state budget of the federation. If the election was not held for some reason, or if it was invalid, or if a seat becomes vacant during the electoral period, the president's proposal assumes the possibility of substitute or supplementary elections.

Opposition in Parliament

However, most members of the FS oppose any kind of majority electoral system and obviously will reject the president's draft. Petr Kucera (OH) states: "A number of technical problems would arise with the delineation of new election obvods. The number of members in the national councils would also have to be brought in line with the number of new election obvods. In addition, due to the fact that there are so many political parties, the majority system (in which even the miniature parties are given an chance—author's comment) could lead to a situation where the future parliament would be unable to function: because the members would primarily try to advance the local interests of their voters at the expense of the interests of the general public."

The man who put Havel's ideas on the election law into a concrete form is a foremost expert in election systems, a professor at the University of Munich, Dr.Jur. Vladimir Klokocka. In response to the members' objections he says: "The president's draft is for elections to a unicameral parliament; national councils should be elected according to a system that is appropriate for them. If they were to choose the president's draft, and the elections were to be held on the same day as the federal ones (and the only reason for this would be financial), the voter could submit one vote for the federal government and the appropriate number of other votes for the national council. District commissions would pass on the results of the voting to the relevant Central Election Commission of the Republic, which would do the calculations. That is merely a technical problem."

The Federal Council

The members also claim that the majority system would create two preelection political blocs, a right wing and a left wing. However, after the election, these coalitions could break up and the voters would feel they had been cheated. Professor Klokocka's response is: "The system of two votes and permitting only one candidate to run in each election obvod forces the parties into the closest possible kind of alliance. The postelection disintegration of a coalition and demagogic emphasis on local details cannot be eliminated by any electoral system. This is a political matter, and it depends on the maturity of the voters as to whom they will elect."

Apparently the members' opposition to Havel's draft of the election law is caused by its connection with the president's idea of a unicameral parliament and a Federal Council [FR]. Some members (particularly those from the ODS [Civic Democratic Party]) say that the method of electing FR members (they are to be elected by the members of the national councils) is a violation of the democratic principle of direct voting. According to the members, the sessions of the Federal Council would be permanent "paper-pushing" and, in practice, the council would merely mean an additional nail in the coffin of the disintegrating federation.

According to Professor Klokocka, the principle of indirect election to the Federal Council is common even in well-established democracies (e.g., France, Italy, and Germany): "It is logical for the second house of parliament to be elected in a different way from the first because it has a specific role. In Germany the members of the Federal Council (which, just like the planned FR, has the right to send back all laws) are, in fact, appointed by the governments of the laender and this does not cause any major problems. If we want to retain a federation, we will have to come to terms with the fact that Slovakia has the right to block specific laws. There simply is no other alternative."

The members' fears were not even dispelled by the recent meeting with the president. Because, on the whole, Havel merely repeated the familiar, general arguments that led him to propose the creation a Federal Council. When asked the specific question as to why his draft includes the stipulation that the activities of the council should not be open to the public, he was unable to give an answer.

Growing Tension in Czech-Slovak Relations Alleged

92CH0234A Prague RESPEKT in Czech 15 Dec 91 p 3

[Article by Ivan Lampert: "Yugoslavia Is Not Far Away; Christian Democratic Movement Committed to Meciar's Program"]

[Text] The latest IVVM [Research Institute of the Interior Ministry] survey indicates that 50 percent of the citizens of the Czech lands now want the common state

to break up. In other words, since April 1991, the number of Czech separatists has only increased by 1 percent. During the same period, the number of secessionists in Slovakia in fact dropped: from 17 percent in April to 14 percent in November. Furthermore, according to other sociological data, most citizens in the CSFR invariably place the problem of the constitutional organization in fourth place on their scale of values: following economic reform, social policies, and environmental problems.

Therefore, at first glance, advocates of the federation might believe that everything is fine. However, the November survey also includes other data. The following are clearly the most important: 23 percent of the citizens of the CR [Czech Republic] are convinced that "it will no longer be possible to live in a common state with the Slovaks," 30 percent are "undecided," and 26 percent "tend to disagree" with the given statement. Less than one-fourth of the Czech citizens (21 percent) "firmly believe" that further Czech-Slovak coexistence is possible.

Merely a year ago in Prague, few people would have imagined such a strong aversion to Slovak fellow citizens. So far, they have not found separatist trends to be the appropriate expression, but if things continue to develop in the same direction, it is merely a matter of time.

The Game Is Proving To Be Successful

Shortly before he was removed from office as Prime Minister, Vladimir Meciar said: "The Czechs are breaking up the federation." Since then, some of the Bratislava political elite have been doing their best to implement his program. Yet we are not exclusively dealing with nationalistic radicals from the SNS [Slovak National Party] or with former communists from the Movement for Democratic Slovakia. The method of conscious incitement of anti-Slovak and destructive sentiments in Czech policies and public opinion was also adopted by a number of leading representatives of the SR [Slovak Republic] government coalition. There are many examples, so let us choose a few at random: for instance, J. Carnogursky's and F. Mikloska's indignant objection to the recognition of Czechoslovakia's legal continuity in the introduction of the Czechoslovak-German agreement; the idea of a home guard, advocated by Interior Minister Pittner; or Gustav Husak's tragicomic laudatory speeches. In addition to this, there is the constant confusion of terms (take, for example, the famous demand "we want an independent state, which will contractually join and conflict (!) with another independent state in the common union of two sovereign states," which was Ivan Carnogursky's contribution to the discussion on the federal organization), and, last but not least, the weariness of active opposition. The latter's stories about "the moral genocide of the Slovaks organized by Prague" or about Slovak girls whom the "federalists" forced into prostitution have been heard even in the United Nations. There is no sense in trying to prove the conscious hostility of these "political acts"; everyone feels the pressure they exert. And the growing Czech aversion toward the "brother nation" demonstrates that the game is universally proving to be successful.

The Saxony-Anhalt Connection

Deputy Jan Kalvoda, the deputy chairman of the CNR [Czech National Council], took part in a number of talks dealing with the resolution of the state's future existence. Recently he said this about his experiences: "Various private meetings, of which there is no written record, were held while Meciar was still in power. It was a real shock to me when, during these meetings, I gradually discovered how naive the ideas of a large number of Slovak politicians were and what fabrications they created to support their plan, which is to achieve independence as quickly as possible. The representatives of the key element of the present Slovak scene, the KDH [Christian Democratic Movement], have the same way of thinking."

Of course, this is not news to more observant onlookers. When he assumed the office of prime minister, Jan Carnogursky stated that his primary goal was to see "the independent star of Slovakia" on the European Community's flag. He later corrected only one aspect of his goal: timing. Though he originally set the creation of the new Slovak state somewhere around the year 2000, he now expects it to be much sooner. When the head of the Saxony-Anhalt government, Werner Munch was on a brief visit in Prague at the end of November, the Slovak Prime Minister requested a personal audience with him; during it he asked whether Mr. Munch "would in some way support" the acceptance of an independent Slovakia into the European Community before the end of 1994. The astonished Werner Munch rejected the request, and within a mere 14 days—on 4 December—J. Carnogursky, giving an exemplary demonstration of political flexibility, stated on Czechoslovak Television: "Everything that we have done so far is aimed at strengthening the federation. Therefore I do not understand why people consider us to be disloyal to the federation."

A Live Target Is Being Sought

If the head of the KDH were to keep his desire for an independent state within the limits of legislative reasoning and relatively harmless "foreign policy" moves, there would be no objections. The danger begins the moment that one begins to lie or, even worse, to reach for racially or nationally defined adversaries made of flesh and bone, rather than coolly discussing technical terms. This direction, too, was pointed out by Vladimir Meciar (by the way, he is still unquestionably the favorite politician in Slovakia). It was he who, some time ago, called on the citizens of Moravia to join the oppressed Slovak brothers and create a unified front "against the Czechs" with them. This de facto ended one stage of the Slovak striving for sovereignty. Up till then, the enigmatic "federalist" had served as a lightning rod for the dissatisfaction on the streets, but now a live target has

appeared on the horizon. Its collective appearance is still, admittedly, abstract, but it can be broken down into smaller parts. And the impassioned mob can do almost anything it wants with these parts: from pointing fingers, via fistfights in the tavern, through to mass attacks at the point of a bayonet.

At the time, Meciar's appeal passed without notice; optimists considered it to be another, basically innocent, demonstration of the ex-prime minister's uncontrollable temperament. But the seed was sown, and it seems that the view that sees the controversy about the organization of the state as a problem of "national" hostility, is gradually attracting an increasing number of politicians. Even Jan Carnogursky's slip during the talks at Hradecek can be used as an example. When the Czech representatives again rejected the idea of an agreement between the Czech and Slovak Republics, the Slovak prime minister could not withstand the pressure of suppressed emotions, lost his self-control for a moment, and exploded: "You'll happily sign an agreement with Bavaria, but not with us. You probably don't consider us to be good enough, you... Bohunks!" It was necessary to explain to him that, at this time, we do not have a federation with Bavaria and therefore a different procedure is quite in order.

Too Long a Tunnel

In any case, this really has nothing to do with words. The growing mutual tension is undeniable. In less than two years we have purposefully worked our way from the hyphen affair to physical attacks on the president and to Czechs being called "you Bohunks" during a constitutional debate at the highest level. That is quite a political blitzkrieg. And the end of the tunnel is not in sight. Not even the compromise agreement on the budgets brought peace. Immediately following the "victorious" federal intervention to the benefit of Bratislava, a number of Slovak VIP's were heard to say that their goal has not changed—instant independence, if possible. As a result, Ivan Carnogursky did not even hesitate to denounce the moderately profederal comment made by the speaker of the KDH.

Yet the whole fuss is totally unnecessary: On the part of the Czechs, it is not the "Slovak desire for sovereignty" itself that evokes fear and despair, but the methods through which the present representatives wish to attain it. The carousel of strong words, incitements, and confusing prevarications could inflame the still slumbering passions to such intensity that we will suddenly realize that Yugoslavia really is not far away.

Anti-Czech Appeal Rebutted by Slovak Group

92CH0258A Bratislava VEREJNOST in Slovak 28 Dec 91 p 3

["Text" of undated declaration signed by supporters of In Favor of a Common State: "Fifteen Points on 'One Thousand Words About Slovakia'"]

[Text] "Thousand Words About Slovakia," a document justifying the invitation of UN observers to Slovakia, makes serious accusations directed at the Czech nation and its politicians. Some of them are distorted to such an extent that it would be quite in order to ignore them. But the document was signed by some Slovak deputies in the legislative bodies, and therefore it must be taken seriously. The more so, because many Slovak citizens could, under its influence, ascribe the unavoidable difficulties resulting from the economic transformation to the entire enemy nation—this time the Czechs. We therefore consider it our duty to formulate specific points of criticism about this document:

1. First, the notion of some consistent, perfidious Czech policy that is detrimental to Slovakia is mistaken. Nothing like that has existed or exists. There merely have been, are, and will be Czech politicians, their political parties and their politics, and they will be sometimes good and at other times wrong. To take note only of problems, misunderstandings, and mistakes and not to see at the same time the beneficial side and good prospects of a common Slovak-Czech statehood, is historically wrong and does injustice to the past generations of politicians, not only Czech but precisely Slovak as well. It does injustice to M.R. Stefanik, M. Hodza, V. Srobar, and many others.

2. In the multinational states of the former communist bloc, the determining power was the central power of the Communist party and its apparat, in which members of all the nations were involved. Although the totalitarian power also made possible the domination of one nation over others, in Czecho-Slovakia that was not decisive. Rather on the contrary, the totalitarian power with its mania for redistribution contributed markedly to an historically rapid, relative economic equalization of Slovakia with the Czech lands.

3. To say that Czech policy has been constantly breaking agreements is disinformation. The Pittsburgh Agreement was an agreement between Slovak associations and the Czechoslovak National Council; this agreement was to be later worked out in detail by elected bodies. Of the four points in the agreement (Slovak as official language, local administration, courts, and diet) only the requirement of a Slovak diet was not realized, because at the time even the Slovak side itself considered it unrealizable.

4. In 1918 neither the Czechs nor the Slovaks considered Czechoslovakism to be a pejorative concept; at that time it meant a strengthening of the Slovak majority element in a multinational republic. Our relations were not burdened then by some political interests, and for Slovaks who faced the danger of magyarization the common state with the Czechs was a national salvation. How useful this stage, today already long since successfully concluded, is evidenced by the fact that during this coexistence Slovaks as a nation doubled in numbers and developed precisely as an individual nation.

5. The responsibility for the failure to carry out the Kosice government program after 1948, and the curtailment of the federation's functions during the period of normalization lies above all with the totalitarian communist power that damaged both nations equally.

6. After 20 years of a "totalitarian federation" Slovaks are demanding their rights and Czech policy is doing its best to meet their demands. If there is hesitation on the Czech side, it is caused by the fact the Slovak politicians do not express a unified will to preserve the common state. Some want a democratic federation, others talk about breaking up the state, others again talk about one thing and want the other.

7. The Czech side is not breaking any commitment and does not deny the original sovereignty of the republics. Decentralization is not obstructed by the Czech side, but by the government bureaucracy at the federal and particularly at the republic level, both Slovak and Czech. It is interesting that Slovak administrative agencies today have 1,400 more employees than the agencies of the Czech republic. At the same time, a commensurate power at the center of the common state is essential and is in Slovakia's interest.

8. The confederative setup in the Soviet Union and Yugoslavia is virtue out of necessity. The situation in those countries is in all respects incomparably worse than here, and certainly no Slovak citizen longs for a chaotic "confederative" breakup of the Yugoslav or Soviet kind.

9. The proponents of a confederation in Slovakia conceal the true face of such a union from Slovak citizens. They have not explained what the extinction of common citizenship would essentially mean, they did not reveal that in the end there would be two national currencies. They say nothing specific about losses resulting from the division of the economies. They keep silent about the fact that such a confederation of states would not equalize, but in fact deepen the differences in the standard of living that already exist today. They give false information about some kind of stealing from Slovakia, and do not mention the realistic steps that the Slovak as well as the federal government took so that the advantages of the federal budget can be enjoyed by both republics.

10. The talk about a massive profederation campaign in the media is untrue. Federal radio and television provide time to the entire spectrum of political groups in the CSFR. In contrast, Slovak radio and Slovak television have been for months and still are giving excessive scope to nationalist emotions. One example will exemplify all: Slovak television provided broadcast time to the committee of the initiative For a Sovereign Slovakia for two independent programs, which were coauthored by television employees. The initiative For a Common State has not succeeded to this day in obtaining time for broadcasting its own program, in spite of active efforts.

11. A referendum in this situation, which is harming all of us, is not pressure but a honorable solution. Its result, in case the common state is preserved, would help to renew mutual trust between the two nations. In the other case, it would facilitate a civilized parting of the ways.

12. The Czech policy is not so shortsighted that it would strive for national domination. Slovakia, same as the Czech Republic, would have a commensurate form of its own statehood in a democratic federation, an equal share in the administration of the common state, and would have decisions about its national identity unconditionally in its own hands.

13. The artificial maintenance of a stalemated situation is harming Slovakia. It places Slovak citizens before a false alternative: "Sovereignty or Bondage." But Slovakia faces another choice: between pursuing the illusion of a miraculous national freedom and making a purposeful effort to achieve economic prosperity and political growth in a stabilized Czecho-Slovakia.

14. Nobody is painting a distorted picture of Slovakia. We have already let the world know enough about ourselves so that foreign journalists turn their attention to us directly and not via Prague. Now we are indeed painting our own picture. Even by the fact that we are not energetically distancing ourselves from all those marginal improprieties that are taking advantage of the young Slovak democracy and the Slovak national idea.

15. The UN observers can come. But we are not imploring them to come, because fortunately it is not necessary. True, we do not know what things would look like if those deputies in legislative bodies among them, who already today are promising trials and prison to those who think differently, came to power. For the time being, the UN observers would see a normal confrontation of two political concepts. One leads to obsolete ideologies, disintegration, isolation, and chaos. The other to a distinctive, open, and democratic Slovakia. We identify ourselves with the second. We are convinced that it is correct and highly beneficial to our Slovak fatherland as well as to Czecho-Slovakia. The text "Fifteen Points on 'One Thousand Words About Slovakia'" was signed by:

Signatories of the appeal In Favor of a Common State: Eva Kovacova, Sona Cechova, Katarina Zavacka, Jana Siposova, Jan Salamon, Rudolf Szabo, Katarina Duricova, Peter Jarina, Anastazia Ginterova, Marta Zvalova, Pavol Zvalo, Elena Brozmanova, Magdalena Spotakova, Eugen Korda.

Deputies in the CSFR Federal Assembly elected in the Slovak Republic: Gejza Adam, Michal Blaha, Karol Honner, Vladimir Savcinsky, Jozef Sepetka, Ernest Valko, Oszkar Vilagi, Maria Adrianova, Marian Farkas, Karoly Gemesi, Stefan Glezgo, Jan Hacaj, Sonja Hlavkova, Michal Horsky, Ladislav Kovac, Peter Kulan, Jan Mlynarik, Frantisek Peter, Miloslav Roubal, Eleonora Sandorova, Kornel Smrzik, Helena Szollosova, Frantisej Sebej, Milarn Sutovec.

Deputies in the Slovak National Council: Peter Tatar, Miroslav Kusy, Laszlo Nagy, Ivan Dianiska, Jozef Berenyi, Ladislav Sejak, Vladimir Ondrus, Rastislav Diovcos, Miroslav Ondrus, Zuzana Mistrikova, Jan Chmelo, Marcel Stryko, Vlakimir Sladek, Bozena Badalova, Maria Olejnikova, Ivan Brndiar, Eduard Granec, Hana Zelivova-Havlatova, Ladislav Snopko.

Martin Porubjak (chairman, Civic Democratic Union-Public Against Violence, first deputy prime minister of the Slovak Republic [SR]), Jan Holcik (chairman of the Democratic Party, minister in the SR government), Jan Pisut (minister in the SR government), Vladimir Pavle (minister in the SR government), Martin Kvetko (honorary chairman of the Democratic Party), Peter Misik (executive deputy chairman of the Democratic Party, Roman Kazik (central secretary of the Democratic Party), Peter Lukac (deputy mayor of Bratislava), Juraj Flamik (Civic Democratic Union-Public Against Violence), Jozef Vachalek (sculptor), Peter Mattos (chairman of the Slovak Radio Council), Oto Haban (journalist), Vojtek Celko (director of the House of Slovak Culture in Prague), Ivan Miklos (minister in the SR government), Anton Oberhauser (director of the general medicine section of the Slovak Medical Library), Karoly Toth (secretary general of the Independent Hungarian Initiative), Maria Zemlova, Miroslav Vikartovsky (Central Council of the Club of Nonaligned Activists), Brano Liska (Helsinky Civic Assembly in the SR), Dano Lipsic, Ivana Breierova, Michal Vasecka, Miro Wlachovsky, Ondrej Dostal, Stano Jendek (members of the executive committee of the Civic-Democratic Youth), Karol Schlifka (chairman of the MU [expansion unknown] Kosice-Old Town), Ladislav Cisarik (graphic artist), Ladislav Sedlak (chairman of the Democratic Party District Committee in Roznava), Michal Stracine (chairman, Democratic Party District Committee in Ziar nad Hronom).

Comments on Slovak Anti-Semitism

92CH0249A Bratislava KULTURNY ZIVOT in Slovak 26 Nov 91 p 5

[Article by Zuzana Szatmary: "By the Way"]

[Text] An interesting, brief convergence occurred in the reaction of some protagonists of the Slovak political scene and the Civic Democratic Party [ODS] to the activities of the Czechoslovak ambassador to the United States, Rita Klimova: The ODS deputies contend that Mrs. Klimova is distinguished by a lack of political talent and an active communist past, that she causes unease among fellow countrymen, and in Slovakia there was indignation at her comments about anti-Semitism at home. There were demands for the ambassador to retract her comments, to justify herself, even to resign, on grounds that her assertions are untrue and slanderous.

If I calculate correctly, Jews comprise about 0.06 percent of the population of the Slovak Republic. Since they are literate and many of them can express themselves quite well, I am surprised to note that none of them were asked by the media to comment on such a serious matter as the appearance of anti-Semitism in Slovakia would be. In theory I can imagine such a journalistic question and I can even guess at the answer: Out of concern for one's own skin there will be none. The absurdity of the situation rests in the fact that obviously there will be no Jews who would, because of fear of anti-Semitism, confirm that anti-Semitism exists here.

When the television station TA-3 wanted to make a film about the life of Jewish youngsters in Bratislava, boys as well as girls refused because of what they have experienced. They did not want to be identified on the screen and thus expose themselves to possible negative reaction in their neighborhoods. Older Jews are afraid because of their historical experiences, but young Jews already have current experiences, for example, their flight from the attack of the skinheads in broad daylight on the Square of Slovak National Uprising.

The legal disarray in this country does not guarantee minorities protection from racist attacks, which do not necessarily have to be just physical. The proof is the sale and distribution of anti-Semitic literature and periodicals done with impunity. Interpellations in the parliament deal with offenses against the Catholic Church. It would be a nice surprise if that experienced defender of moral principles, Deputy Rozinajova, and her supporters in the government and the prosecutor's office would look beyond the boundaries of their own faith.

In connection with the incriminating statements by Ambassador Klimova, it would not be amiss to call to mind this year's statement by the World Slovak Congress, signed by Mr. Stastny together with the Jewish Religious Communities Center [Ustredi zidovskych nabozenskych obci] to the effect that in Slovakia "there are manifestations of anti-Semitism, racism, and xenophobia." The Slovak World Congress condemned these statements and distanced itself from them. I do not know of anybody asking Mr. Stastny for a retraction or his resignation.

Is it therefore the opinion rather than the truth that matters, or is it that when two do the same thing it is not the same thing?

Economy Examined, Future Movements Forecast

92CH0222A Prague EKONOM in Czech 5 Dec 91 pp 16-18

["Text" of study prepared by the Federal Ministry for Strategic Planning: "Analysis and Predictions"]

[Text] The transformation process of the Czechoslovak economy has entered its most difficult phase, in which the material interests of individual classes are being seriously affected and the economic discussion politicized. For this reason the CSFR government and the parliament are carefully following economic development and regularly discussing aggregate analyses of its

current status. The text of this article comes from a report discussed by the CSFR government and prepared for the weekly EKONOM by employees of the Federal Ministry for Strategic Planning.

An analysis of economic behavior in the first half of the year indicates that the existing structure of the Czechoslovak economy finds itself in the initial phases of real adaptation to the new conditions. This adaptation will take place in a situation where the economy is in a process of institutional, organizational, and legislative formation, and is still not sufficiently flexible to changes in supply. During this year the economic behavior mechanism, although it is far from ready from a systemic viewpoint, has improved significantly over 1990.

Analytical Findings

The analysis shows that we are still taking quite limited steps towards real, gradual adaptation. To be sure, the direction of sales to foreign markets is changing, as well as the ratio of domestic to foreign use. However, there have been only peripheral efforts to liquidate unpromising economic activities and the entities engaged in them, or to free up production assets that are tied up in unprofitable ventures. With the exception of certain service businesses technology is not being upgraded, and domestic manufacturers are not showing great innovation in their product offerings.

Both labor productivity and certain production costs are developing unfavorably. To maintain the competitiveness of Czechoslovak industry, it is vitally important to hold the line on the wage component of unit production costs. In other words, nominal wages must continue to grow slowly.

Because the nominal wage level has been going up slowly and prices have stabilized, there continues to be a significant gap between purchasing power parity of the koruna and hard currencies and their relative exchange rates. This is providing a general competitive advantage to Czechoslovak manufacturers over foreign producers. This deviation of purchasing power parity from the exchange rate, even if it is only temporary, has great importance for Czechoslovak competitiveness, and it is therefore not desirable to eliminate it any time soon by increasing wages and prices.

Significant obstacles are also evident in the impact of the signals provided by price and market mechanisms to allocation processes. These barriers are reducing the flexibility of the economy to changes in supply. This flexibility is significantly limited by the burden of the past (highly immobile enterprise and bank assets, inadequate capital availability for both the commercial banking sector and the enterprise sphere). The banking sector is not flexible, the capital market is undeveloped, and high interest rates are having a dampening effect on the flexibility of both retail and wholesale commerce.

This economic decline is to a large extent the result of declining demand on traditional Czechoslovak foreign markets. This means that the decline can be only partially resolved by stimulating domestic demand. There are also risks associated with this policy. Any attempt to stimulate economic growth through across the board stimulation of domestic demand can be exceptionally risky because import incentives and a partial redirection of exports to the domestic market might lead to a worsening of external economic equilibrium, which would have a negative impact on the balance of payments and the foreign debt. Such a policy could revive inflation while only minimally increasing domestic production and employment. On the contrary, through the trade balance it might even stimulate production and employment abroad.

Development to End of Year

Declining economic activity, which is evident in continuing declines in output, must be considered the main factor in economic development through the end of this year. Graphs of industrial production suggest that we have reached a maximum temporary decline of monthly industrial production of 25-30 percent in comparison with last year, and in fact in comparison with the average for the past two-three years. We expect the production curve to fluctuate within this range for the next several months. The overall trend will depend to a moderate extent, however, on sales possibilities and on the transmission of disruptions among individual markets and declining sectors, and these interrelationships can affect the fluctuations.

However, there are several other factors that can have a predominantly positive impact. First, domestic consumer demand will probably stabilize, because after the steep price increases in the first months of the year consumption patterns will adapt and stabilize. In addition, some income increases were implemented and these can be further utilized. By the same token it is clear that the second half of the year usually brings greater expenditures than the first half. This should also work against any additional decline in demand.

When interpreting the development of the consumer market in the second half of the year one must consider its evolution last year, which saw a certain "rippling" of seasonal curves of demand and production. This resulted in a clear difference between the two halves of the year. The end of the first half of last year was marked by high food consumption prior to the price increases of early July. In the same way the second half saw large purchases of consumer goods. These disruptions have been transmitted to this year both in the movement of indexes and in the fluctuations of actual sales.

This suggests that we can assume a further decline in retail sales in comparison with the autumn of last year. On the other hand this period should also see the exhaustion of the "stockpiling" from last year—related to the product mix and some revival of demand. Exports

may provide a somewhat better outlook over the rest of this year. We expect a gradual increase in export performance that will overcome the deep decline at the start of the year. Even though the decline in this area has been very steep, one may expect that future growth will exceed overall production increases.

Czechoslovak Foreign Trade in Specific Months in 1991 (in millions of korunas)

	February	March	April	May	June	July	August
Total imports	22,753	20,657	30,942	28,570	24,846	23,350	22,219
Total nonmarket	12,721	13,437	13,386	13,586	8,712	8,197	7,928
Total market	10,023	7,218	17,543	14,977	16,130	15,151	14,289
Total exports	18,045	20,357	28,876	28,794	28,227	30,783	26,116
Total nonmarket	6,422	8,373	12,515	11,590	11,568	12,650	9,439
Total market	11,623	11,984	16,361	17,204	16,659	18,133	16,667

The development of the investment market can be accompanied by a certain revival compared with the beginning of last year. This will still not be a sign, however, of any general improvement in the situation on this market, but rather the result of measures that have been taken. The current tendency of reduced demand for construction loans and reduced starts of new construction projects, including apartments, will undoubtedly continue. In contrast, investments will continue in technology, new machinery and equipment, which will be procured almost exclusively from imports. This suggests that the overall decline in investment demand does not have to be significant, probably not exceeding 10-15 percent.

The way that individual markets are evolving suggests that the second half of this yesr will on the whole be significantly worse than last year and somewhat worse than the first half. This is an unavoidable consequence of the transformation process, because only in the second half have real efforts to adapt to the new conditions become evident. The second half of this year could, therefore, see a decline of 18-22 percent in national income in comparison with the second half of last year. For the entire year, this would mean that gross national product would decline by 15-18 percent in comparison with last year.

Trends

Developmental trends this year indicate that a significant divergence is taking place between the rate of real decline of consumption, in other words demand, and the rate of real decline of output. To explain this one needs to review development in 1990.

Revised data indicate that 1990 gross national product was the same as the GNP for 1989 (originally a small decline had been forecast). Consumed national income was higher than in 1989, personal consumption was higher by 4.6 percent, while so-called public consumption and investment stagnated, and accumulation as a whole increased by 8.8 percent. Overall, consumed national income was 5 percent higher, and exceeded produced national income by 30 billion Czechoslovak korunas [Kcs] (in constant 1984 prices).

This baseline situation evolved into the trends noted for this year, namely a probable increase in real purchases by the population over 1990 levels of 70-74 percent; a decline in so-called social consumption in real terms to 90 percent of the 1990 level (with accumulation declining to 80-85 percent of the 1990 total, and investment to 85-90 percent of 1990 levels). Total consumed national income would then decline to 77-80 percent of its 1990 level. In concrete terms this means that output growth will decline by Kcs95-120 billion and that national income consumption will decline by about Kcs130-160 billion in comparison with 1990 (in constant 1984 prices).

The decline in gross national product will be more moderate, with a probable annual decline on the order of 12-14 percent compared with last year. This decline would result in significant differentiation in the growth rates of both critical aggregate indicators which is clear from results for the first half of the year. Because the second half of the year can see a significant increase in tourism and related services, it can be expected that the service sector will make a significant contribution to an improvement in the overall indicators.

The Labor Market

The situation on the labor market will be determined in the next few months by the evolution of production and adaptation processes. Current trends indicate that unemployment by year end should be a little over 600,000 people. In the Czech Republic [CR], the unemployment level of about 7 percent is below the national average, while in Slovakia it fluctuates around 12 percent, affecting in other words one worker out of eight. Nevertheless, we have to assume that the overall trend, after temporary improvement in the summer months, will accelerate further leading to a faster increase in CR unemployment, where a number of companies are in sales difficulties.

Clearly, though, one cannot assume that the unemployment curve will copy the production decline curve. Signals from the business sector show, on the contrary, that an undoubtedly rational technique for regulating enterprise employment is spreading, namely shortened work weeks and mandatory unpaid vacations. It can be assumed that partial unemployment will affect 100,000-150,000 people by year end, with a tendency to increase sharply next year.

Possible Risks

One can expect that future development will be affected by risks both in the enterprise sphere and among the population.

In the enterprise sphere these risks are related to the threats to the future existence of numerous firms. These threats will come from reduced sales possibilities and increased competition. This trend will very probably create pressures on the government to ease up on the conditions affecting individual companies. Because these threats are affecting very large companies with greater and greater frequency it is reasonable to expect an increase in lobbying for suspending the rules of economic competition.

There will also in all likelihood be more attempts to put off the essential resolution of the financial situations of companies. This can take the form of relaxing financial discipline or running up the bank debts of the affected firms. The development of mortgages and loans secured with inventory can be used, clearly, by certain monetary institutions to buy up facilities, land, and goods under marginally legal conditions. Increases in short term loans are indicative of this behavior, as is the information concerning the degree to which guidelines for wage increases are being pushed.

Probably the greatest risk for the general public is an increase in prices. There can be additional increases in food prices, mainly thanks to the monopoly position of the food industry. Beginning in March the production costs for government enterprises in the food industry were about 10 percent below last year's levels. Under normal conditions this would tend to lower prices of their products. This in fact happened to a limited extent, but no where near to the extent that costs declined. The monopoly position of the procurers of agricultural outputs basically blocks such a development and makes it possible for them to compensate for price concessions to producers with increased prices for their final products. Moreover, it appears that the process of eliminating surpluses, if it proceeds too quickly and lowers supplies below the level of demand, could also cause an increase in prices.

This price fluctuation can have a negative impact on the overall price index, which may reach a level of 155 in comparison with last year.

Problems in the Functioning of Commerce

A number of shortcomings in the way commerce functions is having a significant impact on the development of the consumer market. Retail businesses are having a hard time adapting to the new market conditions. One of the most important problems is the absence of any effective links between producers and the market. The greatest role here is played by wholesalers, who have proved incapable of organizing a retail network, supporting sales, starting franchises, or the like.

In this sense, the wholesale sector represents a risk for the short term, because wholesalers must operate flexibly if producers are to adapt in the proper directions. It therefore seems that some measures might be adopted to speed up the privatization of the wholesale sector with the help of private capital, which can bring the requisite know-how to bear in the shortest possible time. The formation of several large wholesale entities with connections to the retail network, for example on a regional base with opportunities for the entry of other businesses, would create an adequate environment for competitive behavior.

The trends that became evident in 1991 are such that they will continue, although in a reduced form, next year. Next year will be critical in a number of areas. Production will continue to decline because we are only now beginning to confront the consequences of unprofitable production. These consequences include increased unemployment which will probably eventually amount to 1 million people. We can expect further price increases, although they will be less than those of this year. We should try to keep them to a maximum of 15 percent. In addition, the results of privatization should start appearing as clarification of entrepreneurial strategies and as increased pressure for efficiency. There should also be an improvement in the export efficiency of the economy. We must be clear in recognizing that these phenomena will not be sufficient to achieve a substantive turnaround in our economic development. We must recognize that the entire transformation process of the Czechoslovak economy will take a number of years, among which next year will occupy a very important place.

Pithart's Adviser on Sudeten German Investments

92CH0235A Prague RESPEKT in Czech 22 Dec 91 p 8

[Interview with Karel Kuehnl, adviser to Czech Prime Minister Petr Pithart, by zp; place and date not given: "We Cannot Act in Any Other Way; Karel Kuehnl, Economic Adviser to Prime Minister Petr Pithart, on Investments of Sudeten German Capital in the CSFR"]

[Text] [zp] Recently, the Sudeten German representatives have concentrated their attention on the auction of Sudeten German property in connection with small privatization. According to the declaration by the Sudeten German Council on 7 December, the openness

of questions on property that is anchored in the Czechoslovak-German agreement is being undermined.

[Kuehnl] As far as the agreement in concerned, the question of property is not dealt with. Legally there is no Sudeten German property in the territory of Czechoslovakia. Thus the very definition means that there can be no question of preserving. The agreement between the FRG and the CSFR does not renew Czechoslovak citizenship for former Czechoslovak citizens—the Sudeten Germans. Our legal regulations are such that only citizens of the CSFR with a permanent residence in its territory may participate in the first round of auctions within the framework of so-called small privatization.

[zp] What about the direct investment of Sudeten German capital in Czechoslovakia?

[Kuehnl] It is possible to found a Czechoslovak legal entity on the basis of the law on enterprise with foreign participation and, starting on 1 January next year, also on the basis of the commercial code. However, this is a matter of founding and enterprise and not of small privatization. In the latter case, foreigners may participate in the second round, i.e., in the auction of those places of business in which no interest was shown in the first round.

[zp] The Sudeten German representatives keep repeating that the Czechs should make some accommodating gesture.

[Kuehnl] The state cannot make different laws for every group. The universally valid law is that neither foreigners nor foreign legal entities can directly acquire immovable assets in our country. The only option they have is to found a Czechoslovak legal entity. For example, if the owner of the company Maier & Co., with its headquarters in some Bavarian town, founds a company called Maier-Czechoslovakia, with its headquarters, let's say, in Prague, then the latter company can acquire immovable assets but Mr. Maier himself cannot. According to the agreement between the FRG and the CSFR, the Sudeten Germans, former Czechoslovak citizens, did not again become Czechoslovak citizens. Therefore, the same regulations apply to them as to any other foreigner. No state in the world makes exceptions for special interests.

[zp] Bavarian Minister of Social Affairs Gluck stated that the rights of Sudeten Germans (the possibility to settle and work in our country) should be clarified before Czechoslovakia enters the EC.

[Kuehnl] At this time, the legal situation is such that the Czechoslovak-German agreement does not establish the right of Sudeten Germans to settle in Czechoslovakia. All it mentions is that, within the framework of its integration into Europe, Czechoslovakia must gradually create the appropriate conditions so that citizens of the member countries of the EC will be able to settle in our country once the CSFR becomes a full member of the EC. This means that a special resolution will have to be made before then. There will have to be discussions about this matter. Everything can be discussed, but the question is at what level. For example, the Sudeten German Association cannot deal directly with the Czech government. That, naturally does not eliminate the possibility of meetings, but the other party to the meeting would be, for instance, the Bavarian or possibly the Federal Government. What Minister Gluck wants is understandable, but it would be very difficult to find a legally acceptable path that would avoid legal confusion and the individualization of the law.

The problem is that we have to talk about two different things. I admit that I am fundamentally opposed to the principle of collective blame. Benes's edicts are not compatible with a legal state but, on the other hand, they have become facts now. If they were to be rectified in the way they should, strictly speaking, be rectified, it would mean that one justice would cause great confusion and immense new injustices. Understandably, this is difficult for Sudeten Germans to accept; I, as a lawyer and a person who thinks according to the lines of the purposes of a legal state, also find it difficult to accept. However, the facts of the matter are such that Czechoslovakia cannot act in any other way.

Capital Market Developments Viewed

92CH0222B Prague HOSPODARSKE NOVINY in Czech 11 Dec 91 p 9

[Article by Vladislav Pavlat: "Stocks Will Dominate for a Long Time"]

[Text] A capital market is gradually being formed along with the appearance of private enterprise in the CSFR. Privatization is vitally important for the development of this market. The future growth of the capital market in both depth and breadth will be determined by the level of private enterprise.

A capital market cannot begin to function "on command from above." Its resources and growth will come mainly "from below." The main role of the government is to support the capital market in the legislative arena with the necessary regulations, especially those that protect investors, without limiting their options. In the tax area the government can help by keeping taxes low on securities yields and through tax breaks (moratoriums). In the institutional area, the government can help by fully supporting a diverse structure of financial institutions (fully functioning securities exchanges, institutional investors, banks, insurance companies, etc.). In the technical sector the government can assist by creating the technical means for the smooth functioning of the capital market (mainly by investing in telecommunications systems).

It is desirable to focus the development of this market in the same direction as that being taken by the countries of the European Community. We cannot afford experimentation or excesses which in the future might complicate the integration of our capital market into international

markets. We must proceed very sensitively on the issue of the dematerialization of securities. The population should be asked if they want us to introduce this system, and to what extent. We must reject attempts to dictate a resolution "from above," without participation of the major players in the capital market. namely investors of all types and categories. We must also reject efforts at "originality" at any price, without regard for the investment and operating costs of the introduced system. We must fully respect the costs issue and the interests of all capital market participants.

Diversification and Sophistication

It is desirable not only to broaden the capital market, but also necessary to support its qualitative aspects, which means mainly diversification. This will take various forms. These include the gradual appearance of other products (other types of securities), new market segments (for example a mortgage market), and new institutions (new forms of funds, and the like). Any attempts to enforce uniformity must be rejected in their infancy. It makes no sense to try to force the capital market, for example, to completely exclude bearer stocks (in conflict with the law on stock companies), or by making it impossible to introduce dual forms of debt instruments, or other types of securities. The result of this or other "enlightened" interventions based on technocratic ideas would be to undermine the capital market at its very beginnings.

The sophistication of the capital market does not have to be subordinated, a priori, to the existence of the requisite equipment. This equipment can be applied rationally only in an environment that has been prepared for it, economically, psychologically, and socially. An old proverb cautions that one should not put the cart before the horse. The "driver" of a capital market is certainly not a computer, but the investor, and a computer cannot advise, and still less command an investor to do anything.

The structure of the capital market must be based on the needs of the national economy. It must be capable of facilitating the smooth and effective conversion of the discretionary savings of individuals and collective savings sources into investments undertaken by individual and collective investors. This is provided by the primary market, which handles the issuance of securities, and a related secondary market that handles trading in existing securities. These markets are closely related to each other. The volume (scope) of the primary market depends mainly on the scope of intended entrepreneurial activity that requires the attraction of investment capital. This market is affected by the business cycle and is also influenced by government economic policy. During periods of economic decline, and in situations when a restrictive policy is being practiced to implement antiinflationary measures, primary market growth is limited. Growth in the secondary market is to a large extent dependent on the primary market.

The Primary Market and Its Regulation

The capital market in the CSFR has not yet developed adequately. Restrictive financial policy is preventing the issuing of more government securities, which under normal circumstances serve as a stimulant for economic activity. It is expected that one such stimulus will be the coupon privatization process, which will in one step create a large volume of stock. These stocks can then be traded on the secondary market.

This will predetermine the structure of the capital market for some time, in terms of available products. For some time the dominant market will be a market for stocks. This however also implies potential market volatility and therefore significant risk. It will be necessary partially to protect the secondary market against these risks by implementing appropriate regulations. These regulations, however, cannot take the form of simple government regulation and restrictions.

The base of market stability are the legal regulations that protect investors and adherence to these laws. In addition it is necessary to offer maximum support to institutions without which the development of a capital market is unthinkable.

In the CSFR this means, in addition to privatizing existing banks, contributing to the appearance of new universal and specialized private banks, institutional investors (i.e., insurance companies, investment companies, and different funds, including pension funds) and to make it possible to begin the operation of fully functional securities exchanges and specialized brokerage firms. Capital market regulation can be effectively left to an independent, authoritative, nongovernment agency such as a securities commission. The activities of this commission do not depend on government decisions or on any government agency. Its policy is formulated by representatives of the basic groups of investors (banks, institutional investors, private businessmen, etc.). We must make sure that the formation of this commission not be intentionally postponed with various excuses. Primarily, the concept of this agency cannot be allowed to be corrupted.

In terms of quantifying the optimal number of business entities in the financial sphere it must be stated that at present there are too few, which is having a negative impact on the scope and quality of components in this area. In the CSFR several dozen additional banks can be founded, 10-15 insurance companies, and 200-250 different investment companies and funds without fear of any hypertrophy or destructive competition.

Secondary Market Structure

The secondary market will be structured in two segments: an exchange segment for trading securities on exchanges in Prague and Bratislava; and an extraexchange segment, for trading between entities authorized to perform such trading.

In addition to trading securities (which is defined as a business activity) securities transactions are possible between citizens based on the civil code. There is disagreement as to whether this sphere should be institutionalized. It is our opinion that this is neither essential nor effective, because every citizen has the possibility to utilize professional, specialized services for just this purpose offered by authorized institutions (exchanges and securities traders).

Because both materialized and dematerialized securities will coexist on the secondary market it is necessary to provide the requisite institutional base for accounting, settling trades (delivering), depositing, and administering securities. Since part of coupon privatization will be the creation of a central registry of owners of coupon books, this offers the possibility to build a central registry and depository for securities, which would administer these securities. We consider it desirable to form a nonprofit organization independent of the government, called Czechoslovak Securities Center. Participants would be both securities exchanges (Prague and Bratislava), the major stock holders of both exchanges, and Czechoslovak private investors. This organization would perform the above mentioned functions.

Physically existing securities can be, but do not have to be included in this system. Some of them will probably over time be immobilized in bank deposits (or in the central depository), but we must also expect that a certain number of investors will want to have their securities in their hands.

Technically, the Czechoslovak Securities Center will be serviced by a central computer that is currently under the control of the Coupon Privatization Center under the Federal Ministry of Finance.

Banks will provide payment contacts in a way to be determined between them. Accounting for securities trades (according to the current plans for the securities exchange in Prague) could be handled in a number of ways that would be equally as cost effective and efficient.

These methods are being studied intensively at present. The guiding principle must be the achievement of consensus among the main users, who will share the costs. We must reject any solution of a "government" nature, because such decisions usually do not adequately respect the interests either of the users or of those who bear the costs.

Antall's Foreign Policy Adviser Interviewed

92CH0226A Budapest HETI VILAGGAZDASAG in Hungarian 14 Dec 91 p 95

[Interview with Gyula Kodolanyi, Prime Minister Antall's foreign policy adviser, by Andras Lindner and Zoltan Horvath; place and date not given: "Gyula Kodolanyi, Titular State Secretary, the Prime Minister's Foreign Policy Adviser"]

[Text] Epitome of the 1990's career success, expert on American literature, author of two published volumes of poetry, son-in-law of Gyula Illyes and nephew of Janos Kodolanyi [two well-known writers]. This is, in one person, Gyula Kodolanyi, who will turn 50 in a few weeks. He moved into the Parliament building a year and a half ago where he is at present one of the prime minister's confidants. "I had a good start at home: My father was an engineer, and it was his group which saved the equipment of the Lakihegy radio station from demolition in 1944," reminisces the state secretary about his middle-class intellectual heritage. "Autos, airplanes, and motorcycling attracted me," he says in explaining why he applied to the Technical University in 1960. The fact that after a year he was able to transfer to the College of Liberal Arts to major in Hungarian-English is an indication that Kodolanyi had better-than-average opportunities. He graduated in 1966. He began working for Corvina Publishers, twice having the opportunity to visit Britain. In 1970 he took a teaching position in the Department of English at Lorand Eotvos University [ELTE]. He married Maria Anna Illyes, the poet's daughter. He received several grants to visit American universities. He translated modern American and British poetry. He himself also writes poetry. His first volume of poetry was published in 1981, earning the Kelemen Mikes prize founded by Hungarian writers in exile. In 1985 he moved to ELTE's Department of Comparative and World Literature and last year he founded the Department of American Studies. In May 1990 he accepted prime minister Jozsef Antall's invitation to become his political adviser, and since November of the same year he has directed the prime minister's advisory board as titular state secretary. "Regarding the university, I am at present on leave without pay," he says, indicating that he has not burned all bridges. He was a founding member of the MDF. In talking about his friends, he says only, "The split in Hungarian intelligentsia in the past two years has been a difficult experience for me." Kodolanyi, the adviser coming from the world of literature, has been living in the "Illyes House" in District II with his wife, an art historian at the Museum of Fine Arts. They have a 15-year-old son, Balint, and a 13-year-old daughter, Judit.

[HETI VILAGGAZDASAG] Even the FKgP scandals have been overshadowed by the reorganization at the Ministry of Foreign Affairs. One is perhaps justified in asking who actually has control over foreign affairs. Is it you or Jozsef Antall or, as has been said with criticism, Gyula Horn?

[Kodolanyi] Hungarian foreign policy is conducted by the minister of foreign affairs and the prime minister and, of course, I myself am also involved in it. But the ministers of defense and foreign trade as well as parliament's committee on foreign affairs are also involved. This is how it is in all western democracies. Many presidents and heads of government take part in setting foreign policies; no wonder then that also Jozsef Antall, who has, I feel, exceptional political talents, maintains control over foreign policy. And, as far as the ministry is concerned, what is happening there is not a scandal.

[HETI VILAGGAZDASAG] All right, let us call it house cleaning. On the other hand, Geza Jeszenszky made the statement that he has lost his confidence in many foreign affairs officials. Did you, too?

[Kodolanyi] That is not my department, it is immaterial what I think. But, as far as I know, the issue involves only the three known personalities and I think the affair will come to an end. That is the end of the story.

[HETI VILAGGAZDASAG] So you have nothing to do with that. Would you tell us, then, in what areas you offer advice?

[Kodolanyi] I always say that my role as adviser is nothing but receiving advice. I just want to corroborate that Jozsef Antall is a sovereign political thinker, and Geza Jeszenszky is his deserving younger partner. I myself call his attention to details, accompany him on his international conferences, and handle some of his affairs.

[HETI VILAGGAZDASAG] Thus, you are a sort of messenger.

[Kodolanyi] I would not call it that. At any rate, I am part of the most important confidential information system of the Ministry of Foreign Affairs.

[HETI VILAGGAZDASAG] You came directly from the world of literature. But where did you get your knack for diplomacy?

[Kodolanyi] I was an unofficial diplomat of the unofficial Hungarian opposition's populist wing for a good fifteen years. I feel I have the necessary aptitude for foreign policy.

[HETI VILAGGAZDASAG] You were also given the responsibility to head the prime minister's advisory board, a kind of secret cabinet. Is everyone in it an MDF member?

[Kodolanyi] The board resulted from the joint selections made by Jozsef Antall and myself. At present, eight of us work as advisers. Our board is different from the prime minister's staff of advisers, and it includes nonparty members as well. The ratio is perhaps five to three.

[HETI VILAGGAZDASAG] Many people claim that the board has the tendency to put mostly negative

writings, those criticizing the government, on the prime minister's desk.... Is this true?

[Kodolanyi] Monitoring the press is not a primary responsibility of ours but, of course, we would like to make the administration's system of self-perception as efficient as possible. This is, after all, a national interest, and we cannot whitewash.

[HETI VILAGGAZDASAG] Then the prime minister does not think of his very apparent tendency to become very easily offended a personal "sin."

[Kodolanyi] Although one can offend the prime minister, he will not submit. He is a man of tremendous poise. I do not believe we are being offended. Of course, the Suranyi affair seems to contradict this at present but I am convinced that the prime minister's argument in the matter was sound.

[HETI VILAGGAZDASAG] Do you ever advise your boss to accept the "hardships" with humor?

[Kodolanyi] He has a great sense of humor. There is a kind of formality, of keeping distance, in his demeanor which some people perceive as unfriendliness. He is not unfriendly. This mentality works wonderfully in government situations.

[HETI VILAGGAZDASAG] This is something that we, too, sense. But let us return to the past: Your career was quite smooth. You received grants, you were able to do research abroad, in the meantime you taught and wrote....

[Kodolanyi] Until 1989, I did not achieve anything that could be called a successful career. My lot was chosen by myself, and the regime also kept me at the margin. If you go through those petitions that were initiated by the opposition during the Kadar regime, you will find my signature on just about every single one of them. And, although I cannot document it, I was also the subject of prolonged police surveillance.

[HETI VILAGGAZDASAG] You were Illyes' son-in-law. Did he confide in you of collaborating with the establishment?

[Kodolanyi] I can state that there was no collaboration between Illyes and Aczel. Of course, everyone had to accept a greater or lesser compromise, and no one can deny that Illyes was able to find a common denominator even with Aczel. In that relationship, he considered himself as only an unofficial representative of the Hungarian nation against the regime, and he was subjected to censorship just like everyone else.

[HETI VILAGGAZDASAG] Let us talk about another person: When did you meet Jozsef Antall?

[Kodolanyi] It was at the home of Geza Jeszenszky who was a classmate of mine at the university and is still one of my best friends. But I actually came to know him better only in 1989 when an informal group came together at my home to draft the MDF's platform. We are alike in disliking extremes and in looking at Hungary's history and our present and future place in the world. He is an enraptured and instinctive democrat; if people knew this, they would not be afraid of him.

[HETI VILAGGAZDASAG] This gives us a bit more courage. Did you get a time frame from the prime minister as to how long he will to need you?

[Kodolanyi] Jozsef Antall requested me for a specified period. But I do not wish to disclose the end of this period.

Vojvodina Hungarian: Croats Victims of 'Genocide'

92BA0295A Budapest HITEL in Hungarian 10 Dec 91 pp 10-11

[Transcript of Hungarian television program "Panorama," including interview with Miklos Hornyik, member of the Democratic Community of Vojvodina Hungarians' Council, by Attila Balazs; place and date not given: "Here Today, Here Tomorrow?"]

[Text] [Hornyik] I am convinced that what is happening in Yugoslavia, in Croatia, is not a civil war but a massacre disguised as civil war, a crime against humanity. For both in Europe and the United States civil wars have had a legitimate history. Every country has undergone a period of civil war, so to some extent at least it is a tolerable concept. It is waged to resolve conflicting political views, disagreements over whether a federal or a confederate arrangement is the ideal form of government, as in the case of the war between the North and South in the United States.

This is not what is going on in Yugoslavia. In Yugoslavia, the Yugoslav People's Army and Serbian irregular units are out to destroy practically everything that is Croatian, attacking civilian targets, cultural monuments and all. To me this is an indication that what we are facing in fact is a campaign of genocide, and we Hungarians, caught in the middle as a buffer population, are sharing an identical fate with the Croats. Four Arpad-era villages have already been shelled to rubble, and the entire populace of two villages have fled to Hungary, where they are holed up in camps.

[Balazs] The VMDK [Democratic Community of Vojvodina Hungarians] has issued a call to refuse to take up arms. Has this had any effect?

[Hornyik] We need to be a little more precise here: The VMDK could not have called on young people to refuse to take up arms as such an action is punishable by death; such manifestations of civil disobedience are considered to be crimes here. We have had several sealed coffins arriving in our villages and settlements in vojvodina; the military has not allowed parents and family members to unseal these coffins, still some have been opened, revealing that these boys had been shot in the back of the

head. So no, we did not issue such a call; instead we have turned to the Hague Peace Conference and Lord Carrington with a letter, asking them to help keep the Hungarians out of the feud between the Serbian and Croatian nations. They should be kept out because this bloody war is none of their affair. None of their affair at all.

Naturally we have been denounced as traitors, as has every single member of the peace movement in Yugoslavia and Serbia, irrespective of their national affiliation.

[Balazs] Do you have any information about the number of Hungarian casualties?

[Hornyik] Initially, while they could be verified by civilian authorities, we did have precise numerical data regarding Hungarian casualties. Since everything has been taken over by the military and military police all we know is that every fifth military fatality in Yugoslavia is an ethnic Hungarian, even though it is well known that Hungarians make up only 2.6 percent of the total population (16.5 percent in Vojvodina). This ratio suggests deliberate overrecruitment among Hungarians, and I suspect among other ethnic minorities as well, so that Hungarian boys could be sent to the firing line without training to serve as cannon fodder.

[Balazs] Do you feel that the only way out for Hungarians is to flee?

[Hornyik] This is our homeland. We were loyal citizens of what was formerly Yugoslavia, and I believe this is self-evident. In other words, we never resorted to armed insurrection or attempted to secede. Overall, we consider today's Croatian government policies to be wise and forward-looking in terms of fostering a European settlement; in other words, with the position that it does not make sense to demand border adjustments. The goal is a united Europe. Although if things continue like this, Yugoslavia, and consequently also the Hungarians living within its borders, will not be allowed to be a part of a united Europe. Unfortunately this is quite evident.

To get back to the previous question, the participants at the Hague Conference have already agreed to guarantee the Hungarian minority's right, on the one hand, to refuse to take up arms, and on the other, to return to their homeland without harm. They must return, indeed, but where are the residents of Korogy supposed to return to when not a single structure in that village has been left intact? But I could list other examples as well. The goal obviously is not simply to create a Great Serbia, but to create a Serbia which, as they say, is also ethnically pure. This means that by decimating and intimidating them Hungarians must be compelled to flee en masse over to Hungary, never to be allowed to return. The most recent decision in this regard, i.e., the meting out of the death penalty to those who having refused to heed the call to take up arms, also refuse to obey an order, is clearly intended to further that very aim.

[Balazs] It does not look promising now, but if there will ever be peace, what will living in peace be like after all that has happened?

[Hornyik] One possibility is that with help from the Yugoslav People's Army the leaders of Serbia will actually succeed in creating a Great Serbia, i.e., by annexing certain territories from Croatia, Bosnia and Macedonia. That Great Serbia will be an orthodox communist, Bolshevik-inspired nationalist country in which famine, destitution and the feeling of being ostracized are eventually bound to generate resistance.... In other words, it can look forward to more anarchy, isolation, and civil war.

But even if Europe, the United States and the Soviet Union were finally to say "no more" to this madness, a few decades would not be enough to forget the horrible devastation and endless cycle of inhuman slaughter. And what will happen then? Serbia will still be isolated from Europe, as it is already; Croatia will require decades to recover from its wounds, as will Bosnia-Hercegovina and to some extent also Slovenia, which will further hinder their entry into the realm of Western civilization.

These are the only two possibilities. In either case, the present policy is doomed. The Serbian parliament is not a democratic institution to begin with, and in Serbia there has been no political system change. Instead we have had a crisis of authority, resulting in a reshuffling of power and the emergence of a hardcore, Bolshevik-type leadership that has embraced a similarly hardcore nationalist-fundamentalist philosophy in exercising its power. Of the 350 deputies, maybe about a dozen subscribe to democratic principles; the rest are representatives of the state or former state party, or its shadow parties. What is shocking is that these totally extremist and chauvinistic views are held by converted communists. In other words, by former believers in the failed internationalist ideals of the past. I need not comment on this any further. No one, in my opinion, could have anticipated the kind of madness that has taken hold here.

Kupa Strives for Compromise With Smallholders

92CH0240C Budapest MAGYAR HIRLAP in Hungarian 13 Dec 91 p 11

[Article by Sara Pogany: "The Finance Minister and the 33—Kupa's Compromise With the Smallholders"]

[Text] Last Wednesday's meeting between the Ministry of Finance, the Ministry of Agriculture, and the 33 members of the Smallholders faction that lasted until midnight did not come about on an ad hoc basis, Finance Minister Mihaly Kupa told this reporter. A request has already been made last week by the 33, we were told that they wanted to discuss a number of primarily agricultural problems with representatives of the ministries having jurisdiction. Kupa said that in addition to himself, Administrative State Secretary Peter Kiraly also attended the almost four-hour-long meeting

on behalf of the Finance Ministry. Minister of Agriculture Elemer Gergatz was accompanied by Administrative State Secretary Gyorgy Rasko, and Minister Without Portfolio Ferenc Jozsef Nagy was also present. Kupa stressed that the most important outcome of the negotiations was that while thus far agricultural small producers have been exempt from paying taxes after the first 500,000 forints of sales revenues, next year's legislative proposal would raise that limit to 750,000 forints. Further, as proposed by the Smallholders as well as the Christian Democrats, new owners who took advantage of opportunities provided by the compensation law will be exempt from having to pay land use taxes for three years. In this way, the Finance Ministry intends to encourage the change in ownership and the earliest possible acceleration of agricultural transformation.

Smallholders faction spokesman Miklos Omolnar had this to add to the Finance Minister's statement: As agreed upon by both ministries, all 33 members of the Smallholders faction took part in the marathon negotiations. Omolnar too, regarded as a significant achievement the three-year exemption from under having to pay land use taxes and the benefit related to the compensation law. Under the latter provision the Ministry of Agriculture, with the agreement of the Ministry of Finance, would absorb on a one-to-one basis the land surveyors' fees and charge these against the budget. Negotiations will continue insofar as the fate of the 150,000-forint personal income tax benefit that has existed thus far is concerned. Income up to this level has been tax exempt thus far, and an alternative tax structure is expected to be introduced as part of the new tax laws. Most likely, some form of profit tax would be introduced, but no decision has been reached except in regard to providing a choice to entrepreneurs as to which form of taxation they choose.

Since agricultural machines do not use public roads, the idea of reimbursing the fuel use costs of these machines has been raised; similarly, financial-banking borrowing opportunities for starting, new agricultural enterprises were also discussed. The Smallholders faction also regarded as important that the interests of agricultural base material producers be protected in the course of food industry privatization, and the implementation of an agricultural concept needed to accomplish a change in the produce structure. Additional meetings between the representatives of the Ministry of Finance, the Ministry of Agriculture, and the 33 members of the Smallholders faction have been scheduled.

Daily Interviews RMDSZ Leader Baranyi

92BA0318A Budapest MAGYAR HIRLAP in Hungarian 13 Dec 91 p 8

[Interview with Ferenc Baranyi, parliamentary representative of the Democratic Union of Hungarians in Romania, RMDSZ, by Andras Gyorgy Lengyel; place and date not given: "Knotted Rope Before the Door; The Temesvar Revolution Was Not in Vain After All"]

[Text] This weekend the people of Temesvar will celebrate the second anniversary of their beautiful revolution. For this occasion we interviewed Temesvar chief physician Ferenc Baranyi, one of the revolution's protagonists and a parliamentary representative of the Democratic Union of Hungarians in Romania.

[Lengyel] Are you really as biased a Magyar partisan as the paid writers of the Vatra Romanesca claim?

[Baranyi] Some time ago, a mathematician friend of mine, who did not have anything better to do, calculated that only four percent of the blood in my veins is "pure Magyar." My grandparents' names were Schenider, Buchholz, Veszelovszki, and Baranyi. These 25 percent must be further divided, for this line includes Bulgarian, French, Polish, and other ancestors. In other words, I am an "genuine" Bansager, which is, of course, a unique quality, for in this region the integration of nationalities has always been enormous. I was born in Nagyszentmiklos, which is also Bela Bartok's birthplace. In the dozen places where I lived before I turned 20, as well as at the Temesvar boarding school, I was brought up in a purely Magyar environment. One of the main reasons for choosing the Marosvasarhely Medical College was to study in my native language, not to mention the fact that, unlike at Temesvar, which was more European, more liberal, and more cosmopolitan, I could live under purer "Magyar air" in that city located on the banks of the Maros River. Since that time I have been very conscious not to mix Romanian and German words with the Hungarian language, although Temesvarians still freely jumble that way. It is only in Parliament where I let loose one or another Hungarian expression in my speeches, eliciting the Vatra's anger. All in all, I profess to be a Magyar, but I hate and loathe nationalism from my heart.

[Lengyel] According to one of the frequent charges, you were engaged in "subversive activity" against socialism-building Romania already as a college student. Is this true?

[Baranyi] Yes. As a political functionary of the college youth organization, I repeatedly stated publicly in 1956 that the Soviet Union had committed an impermissible aggression against Hungary and that we had to do something in support of the Hungarian revolution. I organized meetings at which we discussed the possible ways and means of help. My present wife, also a medical student at that time, initiated blood donation drives among the students and workers. I was subsequently expelled from the youth organization, and then from the college. I worked in Suceava as an unlicensed doctor. It was much later when I was finally able to pass the state exam. My fiance was warned that if she married me, a representative of the reactionary forces, everything possible would be done to hinder her in becoming a physician. Fortunately, this did not happen. And the efforts to intimidate us also remained unsuccessful.

[Lengyel] This is also corroborated by a beautiful writing of Geza Szocs, recently broadcast by the Hungarian Radio in Kinga Illyes' interpretation. The outstanding poet—at present, political deputy chairman of the RMDSZ [Democratic Union of Hungarians in Romania]—publicly expressed his appreciation that you offered him your Temesvar home to hide from the Securitate at the time of his persecution. How did that happen?

[Baranyi] Geza Szocs' father is an old friend of mine. When I met him, Geza was an adolescent in shorts, very intelligent and a bit argumentative and remained that way for me even to the early 1980s when he visited me, saying "Ferenc, I am being pursued by Securitate people, could you hide me?" I gave him an out-of-the-way corner room, a key, and strict orders that no matter who came, not to open the door! He spent almost two weeks at our place. I clearly remember how he insisted on fleeing across the Romanian-Yugoslavian border; I myself, with the help of a few friends, made preparations for his flight in Nagykaroly's vicinity. I am reluctant even today to speak of the subsequent events, but I can say that I learned from a high-ranking Securitate officer during a "conversation" that Geza was not apprehended. They did not find any proof that I hid him in Temesvar either, nevertheless from that time on I had to incessantly reckon with the Securitate's "protective custody." This is why in the fall of 1989, with my wife's help, we kept in touch with the greatly endangered Laszlo Tokes.

[Lengyel] It is historical fact that it was your home where the Democratic Union of Hungarians of the Bansag, the first RMDSZ "affiliate," was founded on 22 December 1989. How do you remember those days?

[Baranyi] Already three of four days before the revolution broke out, masses of people congregated on the streets of Temesvar, everyone was excited, the city was like a swarming beehive. In retrospect, I must say that no one believed that the dictatorship could be toppled by a grassroots movement. Romanian citizens, no matter what nationality they belonged to or what their native language was, were unanimous in their belief that only a military coup could help. Despite that, more and more people joined the masses, day after day. With regard to 17 December, I received an "emergency" telephone call in the afternoon that I should report to the hospital right away because there were many wounded and dead people. I had to fight my way through the military and police cordons. In addition to operating and giving first-aid treatment, we also had to convince many of the wounded not to go back on the street to take part in the demonstration. Unfortunately, the level of desperation was so high that we often failed. As for me, defying the dangers and subsequently speaking to the people from the balcony of the opera? Others also spoke. I just had to say that the revolution was also ours, Magyars, and that if we wanted to build a truly democratic and European Romania, we had to eradicate nationalism—all kinds of nationalism—from our souls.

[Lengyel] Were you scared up there in the balcony?

[Baranyi] Of course I was scared. I have never been a courageous person. Even today, I often feel anxiety when I am promised all sorts of death over the telephone, when I receive nasty letters, when they attempt to poison my cats and dogs, or when I find a knotted rope before my door. (The latter was also witnessed last January by the present writer.)

These sort of threatenings will hardly suddenly stop as if by magic. For, in Romania, the roots of nationalism are unbelievably deep. Why? I think its essence is best expressed by a joke. Ion [the Romanian] is in the process of sharpening his scythe. Janos [the Hungarian] slinks next to him and says, "Why are you sharpening your scythe, Ion, for it is winter, there is not a single blade of grass in the field?" "I am going to kill every Magyar!" "Also me, your neighbor, with whom you went to school, with whom you played ball in the fields, with whom you swam in the lake? But why?" "Because the Magyars killed Mihail Viteazul." "True, but that happened more than 300 years ago!" "That may be, but I just learned about it."

[Lengyel] Hungarians, and the RMDSZ, cannot count on the support of the opposition parties either?

[Baranyi] My experiences in parliament indicate that we cannot expect any effective and lasting help from any political organization. The National Salvation Front has become openly nationalistic. President Iliescu is also a nationalist, you can put it in writing, I have known Iliescu well for decades. "Extreme nationalistic" views also emerge frequently from the ranks of the peasant party and the liberals. The Civic Union is nothing but a rather small group of outstanding intellectuals, the influence of which on the masses is almost negligible. Excuse me for illustrating the political climate with a personal example: The ROMANIA MARE, which has a large circulation, called me a sheep and said about me that "Baranyi used to be a bad physician, and now he is a politician with no talent." None of the representatives of Romanian nationality came to my defense in parliament. At any rate, the first part of the sentence would have offended me, had it been true....

[Lengyel] I recall, you were cheerful and optimistic a week and a half after the revolution's victory when we met for the first time at the Kolozsvar Hungarian Theater. And now, at the second anniversary of the revolution, I sense that you have been overcome by hopelessness and blighted prospects....

[Baranyi] I do not feel that the situation is hopeless, in part because I do not consider the present political structure permanent, and in part because more and more Romanians sympathize with the RMDSZ. Last year I was elected representative by more than 30,000 votes, more than ten percent of which came from pure Romanians, i.e., from those who are not married to non-Romanians. I have been stopped several times on the streets in Bucharest by people saying: "You are Doctor

Baranyi, representative of the RMDSZ, are you not? I have seen you on TV. I like what you people are doing, you have a good platform, congratulations and please continue your good work." After which it came to light that none of these people have any Magyar ancestors, nor have they ever been in Transylvania or the Bansag, and they do not speak a word of Hungarian. I am convinced that the number of such Romanians is, if only slowly, gradually increasing. Thus, the Temesvar revolution was not in vain after all.

Government's Proposed 1992 Budget Detailed

Military Schools Cut Back

92CH0245A Budapest MAGYAR HIRLAP in Hungarian 14 Dec 91 p 11

[Article by M.K.: "State Budget 1992; Significant Decrease in Number of Officers Schools Next Year"]

[Text] In today's issue we continue to report on various institutions included in the Defense Ministry's chapter. Thus, the following pertains to the management of educational institutions, prosecutors' offices, and sports clubs within the military.

Insofar as changes affecting military educational institutions are concerned, noncommissioned officer training will be fully integrated with the three military academies. The previous eight high school level military colleges will be gradually phased out and three military high schools will be established in their place at Eger, Gyor, and Szeged. Considering the short-term interests of the Hungarian Honved Forces, the number of officer and noncommissioned officer candidate students has been temporarily decreased to 400. The joint effect of the above is that the projected cost of running Hungarian military educational institutions will be 3.482 billion forints next year. This amount falls short by 817 million forints of the amount used for this purpose in 1991. The average number of full-time employees at military institutions is 6,230 at present; this number will be reduced to 3,852 next year. Projected budget outlays for Hungarian military prosecutors' offices will increase to 183 million forints; this amount exceeds the base funding projection for this year by 41 million forints. The number of Hungarian military cultural institution will be decreased next year. Plans call for the termination of seven cultural centers sustained by the military, and thus their number will be 48. As a result of these changes the number of full-time employees will be reduced by 350. The proposed expenditure projection calls for 745 million forints, 55 million forints less than this year. The budget for military sports clubs calls for the appropriation of 253 million forints. This amount exceeds this year's expenditures by only 14 million forints. The number of full-time employees will be reduced by 107 from this year's number. The budget request calls for 2.528 billion forints for the operation of Hungarian military health care institutions in 1992. Of this amount 2.278 billion forints will be financed by the Social Security Fund, and 250 million forints will be allocated from the state budget.

These projections do not include incremental expenditures resulting from the transformation of the pharmaceuticals subsidy system. Full compensation for these increments will be required for the proper functioning of these institutions. Hungarian military resorts and guest houses will operate with 472 employees, 139 fewer than last year, due to a revamping of the profile of these facilities and the streamlining of staff activities. Thus the wage fund for these facilities will amount to 139 million forints, which is 17 million forints less than the amount originally projected for this year. Expenditures related to materials purchases will remain essentially at the same level as in previous years, at 196 million forints. An increase in revenues generated by the facilities has been made possible by a planned increase in fees to be paid to resorts. State subsidies will amount to 29 million forints less next year, i.e., to 285 million forints.

Compensation, Expo Allocations

92CH0245B Budapest MAGYAR HIRLAP in Hungarian 11 Dec 91 p 12

[Article by M.K.: "State Budget 1992; Six Billion Forints for Compensation, 2 Billion for Expo"]

[Text] Next year's budget reserves will amount to 10 billion forints. Funds will be segregated for the expo, for compensation, and for the return of church real property in the form of extraordinary expenditures. The following report also indicates the amounts of money the government intends to allocate for various foundations.

Under so-called projections treated in chapters [as published] under the heading "Office of the Prime Minister" one finds proposed funding levels for foundations established by the government and for designated and targeted subsidies. Thus, 46.7 million forints will be channeled through the Science Policy Fund to support certain science policy tasks. The level of proposed subsidies exceeds the base funding only by the amount of automatic increases in the cost of materials. Operating the "Hungarian Fund for national and ethnic minorities" will cost 90 million forints. The 40 million forint increase as compared to the base funding level covers added functions stemming from the increased activities of minorities and from an increase in the number of minority organizations. The projected allocation for the International Andras Peto Foundation amounts to 249.9 million forints. As compared to the base funding level, this subsidy has increased by the amount of the increased wages and material expenditures, as well as by the amount required to provide supplemental pay to specialized leaders in the internal practice school [as published]. Thirty million forints have been requested for the Illyes Foundation. The Laszlo Teleki Foundation has been allocated 129.3 million forints. The increase in this allocation as compared to the base funding level is due to

automatic wage increases and higher material costs. Budgeted funds amounting to 90 million forints will be expended next year to support the publication of minority newspapers. This exceeds the 1991 projections by 50 million forints due to an increase in the number and production costs of newly established newspapers. The performance of governmental tasks based on the minority law is included at a cost of 10 million forints in the form of targeted subsidies; this amount would cover the excess expenses of the National and Ethnic Minority Office if the provisions were enacted into law. The government has ordered a review of the top secret and secret classifications of documents produced by the Council of Ministers between 1944 and 31 December 1960. Beginning in 1992, an amount of 4.3 million forints will be segregated for this purpose within the budget of the Office of the Prime Minister. Twelve million forints have been been projected to support the Bridge International Hungarian Youth Camp. Next year's support of the Soros Foundation will be included in the budget of the Office of the Prime Minister. Certain operating expenditures will be covered by allocating 80 million forints. The amount to be expended for renewal and major repair is 140 million forints. The 700 million forints available for closing down the Bos-Nagymaros barrage system is expected to be expended. Some 495 million forints will be expended next year to cover the costs of the shutdown. Satisfaction of indemnification claims related to the shutdown will cost 62 million forints. In 1992, 198 million forints will be expended to provide a temporary navigable waterway in the Nagymaros area. Twenty million forints are available to fund preparatory tasks related to the termination of the interstate agreement.

The central budget projects 7 billion forints for wage increases to be received by workers employed by central and local governmental bodies funded by the state budget. A sum of 2.5 billion forints has been projected to cover wages and social security contributions based on the law governing the legal status of public officials, scheduled for enactment next year. General budgeted reserves will amount to 10 billion forints. Extraordinary expenditures: 2 billion forints for developmental purposes related to preparations for the expo; 6 billion forints to cover resources required by the compensation budget; 500 million forints to satisfy damage claims in conjunction with the return of church real property; and 500 million forints for the assessment and mitigation of environmental damages caused in Soviet military objects.

The total amount budgeted for the 1992 administrative expenditures of the Ministry of the Interior is 4.9585 billion forints. Of this amount 1.5042 billion forints cover central administrative tasks. The business directorate and its support institutions which perform supply functions will receive almost half the total allocation, or 2.4098 billion forints. The government's special objects directorate will receive 110.4 million forints to fund its activities, and 934.1 million forints are available to cover central functions performed by the communications technology service.

Old Vested Interests Oppose Demonopolization

92CH0267A Budapest FIGYELO in Hungarian 12 Dec 91 pp 1, 11

[Article by Eva Voszka: "What Is Going To Happen to the Monopolies? 'I Brought Something, but Then I Did Not Bring Anything'"]

[Text] Ever since the establishment of the Demonopolization Committee six months ago, its activities have been shrouded in thick fog; quite often even the staffs involved with the committee are unaware of its existence.

The committee's name appears in conjunction with stimulating competition, in all comprehensive government programs and concepts on detailed action to be taken against monopolies, such as the ownership and privatization strategy, and among the declared goals of property policies. Privatization is a unique opportunity to establish organizational conditions for competition.

The state is now at the borderline of ownership and nonownership. It could still develop a privatization system relatively freely, without having to go through courts and public authorities, and it is no longer in the state's interest to protect its ownership of the monopolistic system. This holds true in principle, at least.

In practice, however, privatization and the liquidation of monopolies have not become institutionally joined in the framework of governmental decisionmaking. A review of the existing large organizations has not been made part of the competition law, seeking the opinion of the competition bureau in the course of all enterprise transformations and property sales has not been mandatory. From the State Property Agency's [AVU] standpoint demonopolization is merely one of the decisionmaking criteria, usually overshadowed by other considerations ranging from increased onetime revenues through the acceleration of privatization and the threat of continued state ownership of units that cannot be sold, all the way to current professional and technical difficulties.

Thick Fog

Central decisions, measures produced by concentrated power could have indeed had one advantage: They could have discontinued excessive centralization in the Hungarian economy. "Unfortunately, they did not use this power to accomplish this in an organized fashion, all they did was to occasionally make certain factory units independent," Tamas Sarkozy wrote in his newest book (*Privatization Law in Hungary*, Unio Publishers, 1991). He recommends a centrally managed comprehensive review and the "dismantling of large enterprises whose existence cannot be justified." Would it be possible to

launch a comprehensive campaign like this? The Demonopolization Committee established in the spring of 1991 adds more information to help resolve this long-standing dispute. In a manner similar to its predecessor, the Coordinating Committee of 10 years ago, the Demonopolization Committee conjures up the folkloric situation—and the results—of "I brought something, but then I did not bring anything."

Just like its predecessor, the Demonopolization Committee is a body not authorized by law and with no decisionmaking authority. Its existence is based on a nonpublic (so-called three-thousand series) government determination which, in a grandiose fashion, omits details and says only this much: "In due regard to the peculiar characteristics of various branches of the economy" an expert, ad hoc committee must be established for the review of monopolies which do not fall under the jurisdiction of the competition law. This body should be chaired by the administrative state secretary of the Finance Ministry and, in addition to representatives of AVU and the Competition Bureau, its membership should be composed of high ranking officials of the ministries having jurisdiction over the various economic branches in due regard to the "peculiar characteristics of the various branches." This structure differs from that of the Coordinating Committee in which only the functional ministries participated. In those days, the exclusion of the economic branches from the Coordinating Committee served the purpose of clarifying front lines, the intent was to avoid situations in which "peculiar points of view" did not paralyze work from the outset. At this time, the inclusion of the branches has been supported by an argument also voiced before, according to which the ministries having jurisdiction had the best access to information generated at the enterprise and partial market levels, and that their positions no longer followed the old pattern.

The latter supposition, if expressed at all, did not prove to be well-founded. Six months after the Demonopolization Committee's establishment its activities continue to be shrouded in thick fog. Quite often, even the staffs involved with the committee are unaware of its existence. As much as one is able to sense from a few internal documents and from conversations with several members of that body, representatives of the branch ministries continue to oppose the dismantling of large enterprises.

Branch Spokesman

The Ministry of Industry and Commerce [IKM] appears to be the committee's most active spokesman. The IKM argues that decentralization is not always the suitably and sole passable way for antimonopolistic action; because of specialization in the enterprises, dismantling would, in many instances, create smaller but equally monopolistic units; decentralization has already begun as a result of transforming enterprises into corporations and in response to liberalization measures and deregulation.

Some of these arguments are appropriate under certain conditions or with respect to parts of certain fields. One cannot state with certainty, however, that there are no monopolies in Hungary or that it is worth maintaining all of these monopolies because of their efficiency and ability to compete in the international marketplace. For this reason the IKM has been unable to defend its initial position of rejecting demonopolization. The Ministry at first "indicated a lack of interest" claiming that within its purview there were no monopolies which did not fall under the authority of the competition law. It took lengthy arguments to clarify that the government determination applied to long established monopolies which continued to enjoy superior power, but which did not necessarily abuse their monopolistic situations. "We must do something because there is a government determination," an halfhearted IKM delegate said a few months later, but even thereafter he surrendered only a small part of his initial position. The potential opponents—functional organizations—were not overly firm, they themselves leaned in favor of a compromise. The framework of interpretations and actions had softened during the initial months of the committee's operations. A broader view had been applied to antimonopolistic activities and dismantling the large enterprises became only one of several available legal alternatives to stimulate competition. The various ministries had until the end of April to review their specific tasks before presenting partial market studies in the form of a package plan to the Economic Cabinet. By summer's end, only the IKM had prepared a proposal, but that, too, had failed to recommend the central dismantling of even a single enterprise. The Economic Cabinet extended the deadlines until the end of the year and stressed that "the individual ministries having jurisdiction had full responsibility for taking necessary action within their respective, specialized fields." All this has overshadowed the committee's coordinating and commenting role, and has served as a premonition for the quiet passing of intents to dismantle large enterprises and of the committee itself.

Counterinterests

What could explain the fact that chances for centrally managed organizational decentralization are no better today than they were ten years ago? Ten years ago the key production and foreign trading role of threatened large enterprises served as the chief obstacle, and so did their strongly imbedded political linkages, lobbying by branch ministries on behalf of these enterprises, and the very interest of the ministries to facilitate direction of these enterprises. It is generally believed, however, that during the past year the positions held by large enterprises have weakened, means by which ministries could direct or supervise enterprises have shrunk to a minimum, and the relationship between ministries and enterprises has loosened. Could it be that the enterprises are still strong enough to defend their monopolistic positions, or is there no longer a need to take steps aimed at these organizational structures?

Many things have happened during the past years to facilitate market entry, to establish new firms and to liberalize foreign trade, and these measures have reduced the market share—the superior power—of the earlier monopolies. But a majority of the experts acknowledge that in many cases these changes remained semblances only: due to the better quality of goods offered and freight and customs duties, imports have become so expensive that they do not compete in the respective domestic markets. Aside from a few, albeit not insignificant sectors, most new firms have entered markets in which there is excessive demand, or which are too small to present real competition to the large enterprises. In addition, it is questionable whether liberalization lasts forever: large and small firms together with the large enterprises may demand more effective protection, as such demands can already be heard daily.

The other important element of the changes is that many large enterprises have merged into large firms in the course of their disintegration. These mergers, however, did not necessarily constitute actual decentralization in instances in which enterprise headquarters turned into property managers and remained majority stockholders with a controlling interest. The ultimate solution—separation, as viewed from the vantage point of ownership—is within the purview of privatization. There would be no need for a special committee if privatization could lead to the separation of units within enterprises. But branch ministry representatives, still in the majority on the Demonopolization Committee, are still concerned about organizational decentralization. One wonders why.

They are concerned, in part, because they are short of means which they could use to interfere with the economy. Despite this fact, they urge the development and enforcement of some branch ministry policy. The new methods have yet to evolve. This uncertain situation reinforces their feeling that it would be simpler to reach agreements with a few (large) firms [than with numerous, newly independent smaller units].

Uncertainty about possible future changes also exists. The branch ministries have fought to expand the group of enterprises supposed to remain under state ownership in the long term, and to acquire the right to supervise both long term and the interim state property managers, such as holding corporations and concerns. If this action succeeds even in part, the ministries, in their renewed roles as directors of enterprises and representatives of enterprise interests, will once again have a direct interest in maintaining centralized organizations.

To this day at least, the opposition of branch ministries to dismantle large enterprises appears to be successful. This success is probably not build on the power held by the various ministries but on the contradictory conduct of the entire government and on the limited influence exerted by forces which favor decentralization, both within and outside the government.

Contrary Attitudes

Although in past years' debates I, too, represented the minority view according to which artificially established large organizations could only be disintegrated by artificial means, I have come to believe that this perception amounts to no more than good wishes which cannot be fulfilled and which have no chance of being realized even under the changed circumstances. Considering the perseverance of counterinterests the government must choose other methods if it indeed wants to decentralize these large organizations. But is there an unequivocal will to do so? The establishment, structure, and method of operation manifested by the Demonopolization Committee suggests division within the government and previously existing contradictions. It would be difficult to defend claims that hold that such division and contradictions were the exclusive functions of the political establishment and of ideology, i.e., that these had been characteristics peculiar to the "party state." What do we find today on the two sides of the scale?

The government is being prompted to stand up against the monopolies not only by the promises it made, because more than once, the government had easily transcended its own promises when that became necessary. Action would also be indicated from the standpoint of the government's own economic interests and power considerations, in the favorable sense of these terms. During the past years the prevailing governments often sensed that they have been forced to retreat when faced with large, monopolistic enterprises. These firms cannot be permitted or forced to go bankrupt without creating mass unemployment and explosive dissatisfaction. Thus far the government has taken the most needed steps to salvage these enterprises. It has become clear that on occasion, economic monopolies may turn into direct threats from the standpoint of power. (If we think of it, the taxi blockade amounted to a condemnation of a state and an enterprise monopoly, the centrally established gasoline prices and the National Crude Oil and Natural Gas Trust's [OKGT] conduct unbridled by competition, which manifested itself with the force of the elements.)

Trapped

These considerations are countered not only by staff counterinterests as we have demonstrated by way of analyzing the Decentralization Committee, but also by the intentions of the government to preserve the state's influence over the economy, including the trend toward developing a corporate state. If the basic pillars supporting this system are agreements between employers and employees, and the government—and many signs so indicate today—having large organizations will remain advantageous even after privatization. It is yet another matter that the technical ease of reaching agreements may be coupled with a better chance for enforcing interests, i.e., that as before, the government might once again fall in the trap of centralization.

The new bankruptcy law, the accumulation of inventories that cannot be sold and the ripple effects may force decisionmakers to express clear positions in the near future. Methods other than writing off debts or providing different financial benefits may be used to rescue large units, such as a change in economic policy as a whole, and a centrally fueled boosting process through the large organizations. One cannot rule out the possibility that personnel changes implemented during the past weeks, presumed to continue, have this trend as their background. This trend is no less dangerous than openly stated political motives.

SZDSZ's New Parliamentary Leader on Economy

92CH0225A Budapest HETI VILAGGAZDASAG in Hungarian 14 Dec 91 p 71

[Article by economist Marton Mardos, parliamentary leader of the Alliance of Free Democrats, SZDSZ: "What Doesn't the Government Do?"]

[Text] Important government politicians, in accordance with their temperament, announce the start of a new upswing in 1992 or 1993. We have to find out whether their optimism is justified.

It must be admitted that in at least two notable aspects the economic situation is better than the experts anticipated. First, the galloping inflation that was virtually planned and predicted because of subsidy cutbacks did not pierce the barriers erected by monetary policy: Indeed, there glimmered the possibility of a modest decrease in inflation. Second, the decline of the Soviet and CEMA market, more serious than forecast, not only forced the growth of convertible exports but also was unaccompanied by the wave of business bankruptcies predicted by many.

In my opinion, strict regulation of the money supply from the final years of the Kadar era to the present day is the reason for these auspicious events. There is no unfounded demand for money in Hungary.

The other reason that lurks behind these praiseworthy signs is not unambiguously favorable to our medium-range prospects. The enterprises that complained they struggled under the pressure of Kadar's semifocused leadership or reduced their free-currency exports less than justified by the profit motive have suddenly become very efficient, despite revaluation of the forint and severe cutbacks in subsidies, and improved their workmanship by leaps and bounds for capitalist markets. What made this possible or justified? We can look in three directions for an answer.

Let us assume our country has begun to employ the new techniques and technologies so successfully that a positive change is proven. We can calmly dismiss this argument because we scarcely know any cases we can cite. The second possibility is that earlier the state enterprises, with their cost findings and deliberately wasteful management, misled everyone, and now, when they have fewer extravagant products or markets than before, they are able without technological change to turn a profit on exports aimed at the convertible market. Yet it was recently claimed that exporters often cannot recoup their expenses. This answer does not seem really convincing. There remains a third explanation. In many cases, enterprises cannot use their earnings to finance products for export. They promote continuous production by exhausting their capital and thus make it possible to avoid drastic layoffs or transfers.

Is this a problem? Not necessarily. If there is no other opportunity and if the enterprise can recoup its expenses, then there is nothing wrong with this solution. Indeed, this method causes no problems even if expenses are not completely covered, so long as the enterprise can clearly see that within a short time it will be able to appear on new, perhaps temporarily lost markets or change to a profitable product mechanism which requires the full range of workers. If this is not the case, then it is simply a sin to sustain continuous production and a high employment level. I fear that many of the successful exports mentioned above fall into this very category. I fear even more that there is no obstacle to such consumption of capital in state enterprises. Indeed, no matter how shocking, it also seems likely that there is no obstacle to such wasteful conduct in many privately owned enterprises, because the private owner expects a profit from the liquidation of capital units and from the sale of land parcels and office blocks that come into his hands, and is less concerned about continuous economic success.

If I am at least partly right in my judgment of the situation, then it can be concluded that the promised upswing is unfounded. It also undermines our country's future when we halt the radical privatization program, when the State Property Agency operates illegally for months without valid guidelines, when the system to monitor business property is unestablished, and when the government cannot handle the dissent that rages over privatization within the MDF [Hungarian Democratic Forum]. This is also true if in many respects our situation is better than that of adjacent countries.

Postelectoral Look at Internal Party Conflicts

92EP0166A Warsaw ZYCIE WARSZAWY in Polish 27 Dec 91 p 3

[Article by Piotr Skwiecinski: "The Schisms: Due to Personal Ambitions or Warranted?"]

[Text] It had seemed to many observers that the first free elections would stabilize the party and political landscape of our country. But the exact converse proved to be true. The elections not only failed to stabilize the situation within the political parties but acted in many cases as a catalyst for divisive and fragmenting processes.

In the preelection period the parties, out of a natural fear that revealing internal disagreements would diminish their electoral chances, attached great importance to convincing public opinion about their internal unity. Their internal factions were prone to compromise, because winning the elections was in the interest of every politician. After 27 October this factor ceased to be operative and the previously suppressed conflicts emerged to the light of the day.

Internal conflicts of varying magnitude and intensity exist in practically every political party, and in some they have already led to schisms. In others still the voluntary or forced departure of certain factions appears likely or at least not precluded.

The sizable number of party schisms demonstrates that our political life still is not mature and still has not jellied. Most of the currently existing groupings arose as a result of personality conflicts rather than political dissent. The resulting groupings, based on personal ties, are thus by their very nature unstable and keep changing, and therefore so are the parties.

Politics in the West is practiced in conditions of continuity. Over there a young and ambitious novice politician knows that in 10 years he has a chance of being elected to the parliament; in 15, of being appointed to some government post; and in 30, if everything goes well, of being a candidate for the prime ministership or presidency. To him competing with the leader of his party would be out of the question. Over there a natural hierarchy exists.

But in Poland, there is no such hierarchy. Because there is no continuity in the exercise of politics. The upheavals of 1989 ruined the "regime" parties, which the old, compromised elites had to withdraw from, and new people, to a lesser extent associated with the communist era, came to the fore.

In the groupings of the former opposition there was no such hierarchy in general. Of course, there were several historic and authoritative personages to look up to, but aside from them a far-reaching equality was the hallmark of the opposition movement. Careers, insofar as this concept can be used in the case of activities resulting in political repressions, could speedily be made. Every opposition activist carried a marshal's baton in his knapsack, so to speak. The distance separating him from the movement's leader was relatively small.

Such a psychological situation is markedly affecting the processes occurring in the postopposition groupings. In Poland, compared with the West, a politician finds it much more natural, when observing the successes of a rival, to ask himself, "Why him and not me?"

He also finds it more natural to draw conclusions from that question. In mature democracies it is self-evident that a politician desires to pursue personal ambition within his party. At the same time, however, the parties over there associate people who follow the same particular visions of society.

It is no accident that the Liberals KLD [Liberal-Democratic Congress] and the ZChN [Christian-National Union], the two ideologically best self-defined Polish political parties seem at the same time to be the least rent by factional disputes. That is because ideological self-definition may lead to Talmudic disputes about the letter of the doctrine but at the same time, as a rule, it is an impediment to overblown personal ambitions.

In the West the electorate stays loyal to its parties and their social visions. A politician who switches from one party to another risks voter rejection. In Poland the ideologically blurred nature of the programs of various parties and the political disorientation of the society make such crossovers less hazardous.

Western parties are well-organized structures which can rein in politicians. A parliamentary deputy over there must pay as much heed to his party's leadership as to the local party organization operating in his electoral district. Only politicians with solidly grounded popularity can make bold to quit their party. In our country political parties as yet remain loose confederations of leaders and groups rather than well-organized structures. The decision to quit one such confederation and join another thus does not threaten serious consequences.

The rawness of Polish political life is, in my opinion, also due to another factor. Namely, the compromise reached at the Roundtable has produced an ethically adverse influence on the leaders of the then-existing [1989] opposition groupings.

Seeing Solidarity idols sit down at the same table with the communist leaders and, as a result, suddenly join the political "establishment" has had some demoralizing effect on opposition activists, so much that some have retired from politics.

But the others have reached the dangerous conclusion that, since former longtime intransingents can clink glasses with their recent oppressors, this means that no one is any longer restrained by any moral code, and the only criterion is personal advancement. That is because to most people values acquire the form of symbols. When the symbols are shattered, so are the values.

The shape of Polish political life has also been strongly influenced by the figure of Lech Walesa and the conflict of his presidency. The two largest post-Solidarity groupings, Center Accord and Democratic Union, were, in the opinion of the clientele and most activists of these parties, called into life chiefly because of Lech Walesa. Center Accord was to be the pro-Walesa party and Democratic Union was to play the role of the opposition to presidential tyranny.

But the attitude of these two groupings toward Walesa changed spectacularly. By the same token, the principal factor assuring their cohesion fell away. This is naturally promoting schismatic trends. For if these parties are no longer held together by the desire to support or oppose the president, the question of the nature of the ties linking their members is bound to arise, and this is bound to be followed by disputes about program planks, compounded by personal ambitions.

That is because it seems that in Poland there is no room for the bland and ideologically blurred parties of the American type. They just are not in our tradition, and besides they can exist only in a two-party system, which does not seem feasible in our country.

The evolution of our political groupings is thus still continuing. One of its elements is bound to be continuing schisms within the currently existing parties. This is inevitable. The only question is, how will the voters respond? Will they view these disputes as yet another power play, and would not this discredit politics even more in their eyes?

A Political Map of Poland: The Parties

The Peasant Accord (PL)

Peasant Accord (PL), which groups together rural post-Solidarity parties (Gabriel Janowski's Solidarity of Private Farmers, Jozef Slisz's Solidarity PSL [Polish Peasant Party], and Henryk Bak's "Mikolajczyk" (PSL), fell apart a few days after the declaration establishing it as a joint political party had been made. Speaker Slisz's party withdrew from the PL.

The activists of the Solidarity PSL attributed their decision "to the autocratic actions of certain activists of the Solidarity of Private Farmers." At the same time, however, as known, there exists some ideological disagreement between Solidarity PSL and PL. The latter is in favor of extensive government intervention [in agriculture], while the supporters of Jozef Slisz's party support pursuing an agricultural policy based to a greater extent on the free-market principles.

Polish Peasant Party (PSL)

Within the PSL (the former ZSL [United Peasant Party, a communist ally]), which has not yet healed the wounds sustained when the ZSL apparat tried to get rid of former Solidarity chairman Roman Bartoszcze, there is now an ongoing conflict between Waldemar Pawiak and Roman Jagodzinski. Jagodzinski, the recent chief opponent of Bartoszcze, is said to have opposed the party's participation in the Olszewski government, whereas Chairman Pawiak supported the PSL's joining the "center-right" cabinet of Olszewski.

Social Democracy of the Republic of Poland (SdRP)

The conflict between the factions led by Aleksander Kwasniewski and Leszek Miller is continuing. Miller, a quondam PZPR [Polish United Worker's Party] Central Committee secretary, is supported by former PZPR apparatchiks. His opponents accuse him of trying to transform the SdRP into a communist party. Kwasniewski, on the other hand, is supported by reformists who want the SdRP to become a social-democratic party based on the Western model.

For a long time Kwasniewski had been the loser. He was surrounded by a SdRP apparat established by Miller. But more recently he was helped by the scandal linked to the party's financing by Moscow. Kwasniewski's name was not linked in any way to that scandal, whereas Miller was widely thought to play a major role in it. As a result, Kwasniewski became the chairman of the SLD [Alliance of the Democratic Left] caucus of Sejm deputies and began to recover ground.

Party "X"

It broke apart owing to the conflict between the factions representing former communists and nationalists.

Center Accord (PC)

The conflict between its chairman, Jaroslaw Kaczynski, and the faction rallied round Przemyslaw Hniedziewicz and Andrzej Kostarczyk is continuing.

The "Conspirators," as they call themselves, accuse Kaczynski of despotism and of surrounding himself with a "court retinue" of his own. The ideological aspect of the conflict is not quite clear. Most of the oppositionists derive from the Christian-democratic wing of Center Accord. Some are speaking of the need for an alliance between Center Accord and the small Christian-democratic parties and the ZChN [Christian-National Union], which in time might result in the rise of a new political formation, but others reject this concept.

The oppositionists lack a leader whom they could oppose to Kaczynski. Therefore, they are betting on Jan Olszewski (the prime minister). The prime minister himself, who wants to free himself of the influence of the Kaczynski [brothers], seems discreetly to favor the oppositionists, although it is unclear whether and to what extent he is willing to commit his prestige to involvement in intraparty disputes.

Democratic Union (UD)

Within that party the conflicts between the right wing (Aleksander Hall's FPD [Forum of the Democratic

Right]) and the left wing (Zofia Kuratowska's Social-Liberal Faction), including also the former KOR [Worker's Defense Committee, preceeding Solidarity] leaders who are not members of Kuratowska's faction, are continuing. The FPD is accusing them of causing dissension between Democratic Union and the Roman Catholic Church in connection with the antiabortion legislation. In the opinion of the party's left wing, on the other hand, Democratic Union's position on the issue of the Church's role in public life has deprived that party of the support of the anticlerically minded segment of the electorate.

The conflict was exacerbated by the issue of the Democratic Union's attitude to the Olszewski government. The Union's left wing believes that the party should remain in the opposition, while its right wing favors considering the possibility of participating in the government and avoiding irritants in the party's relationship with Center Accord.

The role of the stabilizing factor in the party is played by Tadeusz Mazowiecki. However, the party's left wing is accusing him of supporting the FPD.

Christian-National Union (ZChN)

Its leaders quarrel as to whether the party is to be more Christian-social (as is desired by, e.g., Antoni Macierewicz and Stefan Niesiolowski) or more nationalist (as is desired by the activists rallied round Jan Lopuszanski, Marek Jurek, and Henryk Gorszewski). However, the dispute has not as yet become schismatic.

Liberal-Democratic Congress (KLD)

There too the disputes are not of a schismatic nature. The Congress is facing a choice between becoming a classic liberal and secular party, similar to, e.g., the German FDP, or a large umbrella grouping of a "generally rightist" nature. The former option is championed by Janusz Lewandowski and the latter by Lech Mazewski.

Confederation for an Independent Poland (KPN)

It is at present the only party without any known internal factional disputes. It is worth nothing that, despite its cohesive image, the KPN has a long tradition of schisms. Throughout its history groups of members repelled by the autocratic leadership of Leszek Moczulski have been distancing themselves from it. Since the character of the party's leader has of a certainty remained unchanged, and vagueness of its program planks cannot be obscured by nationalist rhetoric, it may be concluded that future internal shocks within the party are not unlikely.

Bielecki Report to Sejm on Security Issues

92EP0163A Warsaw GAZETA WYBORCZA in Polish 2 Jan 92 p 5

[Unattributed article: "Report on the Security of the State"]

[Text] We render here the segment of a report on the state of the nation prepared by the outgoing government of Jan Krzysztof Bielecki, which concerns domestic and external security: the Armed Forces, special services, the police, administration of justice, the Border Guard, and the Fire Brigades. The report was submitted to the Sejm on Monday.

Defense

Aggression from the outside is not a threat to us at present. The armed forces are united and ready but poorly armed and do not have funds. Instead of alliances, bilateral military cooperation with the NATO countries, Czechoslovakia, and Hungary is needed.

The Armed Forces of the Republic of Poland consist of about 304,000 personnel, out of whom 112,000 are career servicemen (37 percent). The ground forces have 199,000 personnel, the Air Force and Air Defense Troops—85,000, and the Navy—20,000.

In the opinion of the authors of the report, at present an armed aggression from the outside is not a threat to Poland. The main problem is to train and outfit the Armed Forces in such a way as to ensure their readiness for defense in the event of possible aggressions in the future. The report says: "At issue is the defense against dangers in an uncertain world which are hard to precisely define at this point."

The Armed Forces should undergo major modernization (in this instance, the authors restrict themselves to general statements). However, in view of the lack of funds, it is not possible right now.

Who Is Our Ally?

The notion of "defensive doctrine" does not come up in the report; likewise, the report does not define who our allies and enemies are. Instead, we learn from the report that "a scenario of national security based on a joint European security system is the most adequate for Poland. The format of this system will depend to a considerable degree on how effectively NATO plays the role of a stabilizing factor in Europe. East-Central Europe does not belong to the sphere of responsibility of NATO. Poland has not sought membership in this organization, but it has clearly emphasized our interest in political and military cooperation, and bilateral cooperation with its member states."

However, the Bielecki government is against viewing Central Europe as "a buffer or neutral zone, or as a strategic foreground of the superpowers."

In the opinion of the authors of the report, military cooperation with Czechoslovakia and Hungary ("with a view to developing joint solutions in the area of technical modernization of their Armed Forces") is very significant for Poland. Poland has signed treaties with these countries, but the authors of the report caution that these are not in the nature of a military alliance.

Security

The UOP [Office of State Protection] knows everything about foreign intelligence services operating in the country—the UOP has perfected the transmission of secret information and learned to use open information—terrorists, drug dealers, and bank frauds, tremble!

The Office of State Protection (which replaced the eliminated Security Service) "engaged in an extensive study of the operation of foreign special services in the territory of Poland. The basic scope of their interests, forms of operation, and contacts with Polish citizens have been established."

The UOP "keeps under effective control" the operation of foreign intelligence services in Poland, but stresses that they have very easy access to poorly protected state and official secrets.

Terrorists and Drug Dealers

The UOP has also succeeded in bringing to an end the operation of "several groups of a terrorist nature, and persons suspected of committing terrorist acts have been apprehended" (this undoubtedly refers to, among others, a group of anarchists from the Tri-City which last year tossed Molotov cocktails at the USSR Consulate in Gdansk and planted three explosive devices manufactured by the group in the Tri-City; the leader of the group, Piotr R., detonated a tear gas grenade in the Embassy of Israel in Warsaw—note by GAZETA WYBORCZA).

"Individuals engaging in the manufacturing and illegal distribution of narcotic substances have been uncovered and apprehended; channels used for drug smuggling, as well as for smuggling nonferrous metals and alcohol, have been detected." However, the authors of the report do not indicate the scale of these phenomena or the percentage of cases detected.

Bagsik and Others

The UOP also defended the budget and economy of the state. The investigation of the case involving illegal sales of Polish debts (the so-called FOZZ affair), which is still in progress, began on the initiative of the UOP; "dishonest finance and banking operations effected by the PKO BP [General Savings Bank, State Bank], the National Bank of Poland, and other banks with the participation of the ART-B company have been discovered. The UOP is conducting preliminary proceedings with regard to this case, as well as with regard to the companion case of the WRO-ART company and two cases involving attempts to corrupt highly placed state officials."

Secret Intelligence and Open Intelligence

The leadership of the state received "about 1,000 information materials which are essential to our foreign, domestic, and economic policy" which were obtained by the Polish special services through "a number of measures."

A system for obtaining information by way of analyzing open-source data (so-called overt intelligence) has been created.

The UOP has also improved "the cryptographic protection of information constituting state and official secrets which is transmitted through technical facilities of communications and through communications maintained with Republic of Poland posts abroad."

Profession—Criminal

In 1990, the crime rate increased by more than 60 percent compared to 1989, whereas the share of solved crimes declined from 55.5 percent (1989) to 40 percent (1990). In 1991, the growth of the crime rate slowed down and the share of solved crimes increased somewhat (between January and October, it rose to 48.9 percent).

Criminals freely use firearms and "resort to particularly brutal forms of action. Increasingly often, cases of large-scale smuggling are detected, including the smuggling of narcotics. The surfacing cases of the organized counterfeiting of money and other securities are disturbing."

The authors of the report attribute a segment of these phenomena to "unavoidable, though undesirable, consequences of the increasing openness of Poland to the Western world." Among other causes, they mention: "Unemployment and the attendant impoverishment of large social groups, the considerably undermined respect for the law and principle of social coexistence, as well as the improving professional skills of the perpetrators of crimes, especially common criminals."

Dangerous Drivers on Dangerous Roads

The number of traffic accidents involving fatalities increased alarmingly (in 1991, there were 40,516 accidents, an increase of 13 percent over 1990; 55,093 people died or were injured in these accidents, an increase of 15 percent). "The rapid development of motoring in combination with an inadequate road infrastructure, the failure to comply with elementary traffic safety regulations, and the commonly encountered intoxication of road users" are to blame for this.

For Their Part, the Police Train

The police "have made multifaceted organizational, legal, and training efforts aimed at increasing the effectiveness of their operations. The growing incidence of economic crimes and the inadequate performance of auditing institutions provided grounds for setting up a special element to combat fraud-related crimes," says the report.

The police are cooperating more and more closely with prosecutors' offices in detecting and controlling crime.

"Being the harshest preventive measure, pretrial detention is applied only to the perpetrators of the most heinous crimes, and only when it is necessary to ensure the proper progress of criminal proceedings. Bail is used

increasingly often, especially in cases involving crimes committed with a view to pecuniary gains and causing financial damages."

In the 10 months of 1991, the investigation and inquest of 653,442 cases began, or 10.9 percent fewer than in the corresponding period of 1990. The decline in the category of common crime amounted to 13 percent. In the first half of 1991, pretrial detention was used in the cases of 16,798 people, or 3,000 fewer than in the corresponding period of 1990.

In the first half of 1991, 402,295 cases were referred to the prosecutors' offices, that is, more than 40,000 fewer than in the corresponding period of 1990.

The courts sentenced one in four persons convicted to imprisonment.

Into the Fire

Last year, fire brigades conducted a total of 80,940 rescue actions, out of which 46,671 were associated with putting out fires.

Guards Are at the Border

—There were 3,500 km of open borders, 14 units of the Border Guards, and 9,200 "illegal tourists" who were not successful.

—How many refugees remain in Poland?

—Contraband worth more than 4 billion zlotys [Z] was discovered, but it is not known what percentage of the total this accounts for.

The Border Guard (which replaced the eliminated Border Guard Troops) has 14 units, 150 barracks, 55 border checkpoints, and "other organizational subdivisions," and guards 3,500 km of land and maritime borders and 390 km of the border of territorial sea.

Some 9,220 individuals crossing the border illegally were apprehended (in the first half of the year, 3,620), which corresponds to a 317-percent increment compared to last year. The largest contingents consisted of Romanians (5,379), Poles (1,386), Bulgarians (967), Czechs and Slovaks (316). Most were apprehended along the Western border.

In October, 230 refugees were wards of the state in Poland.

The Border Guard discovered contraband worth a total of Z4.3 billion.

Illegal traders and smugglers, individuals who want to stay or obtain political asylum in the West, those trying to evade penalties for crime in their country of origin or evading military service in their country (mainly citizens of the USSR), are the ones who cross open borders most frequently.

The authors of the report predict that we should reckon with a mass migration of populations from "some of the adjacent countries in conjunction with a bad sociopolitical situation and an economic crisis."

'Strzelec' Paramilitary Group Under KPN Auspices

92EP0154A Warsaw GAZETA WYBORCZA in Polish 17 Dec 91 p 12

[Article by Piotr Lipinski: "A March on the Ministry of Defense"]

[Text] For many young people the words "we will throw ourselves on the pyre" [from a legionnaire anthem] have lost their meaning, Jerzy Wozniakowski, age 22, believes. But he is ready to be liberal with his life.

Eighteen months ago he refused to fulfill his military-service requirement. He justified his refusal by saying that the army is commanded by General Jaruzelski and people from the martial-law [1981] era. He gave assurance that if he were called up he would obey orders, but he also warned that he would spread ideas of independence in the army. The army permitted him to perform substitute service.

Jerzy Wozniakowski, a member of the Zwiazek Strzelecki [Rifle Association], is ready to report for service immediately, as soon as Leszek Moczulski, president of the Confederation for an Independent Poland (KPN), becomes minister of national defense.

A Penalty for Eating Dinner

In 1910 the Rifle Association was established legally in the Austrian sector of partitioned Poland and clandestinely in the Russian and Prussian sectors. The organization, led by Jozef Pilsudski, Kazimierz Sosnkowski, Edward Rydz-Smigly and Wladyslaw Sikorski, was meant to train officers and soldiers for battle with Russia.

After the restoration of independence, the Rifle Association transformed itself into a state socioupbringing organization. Each year it arranged a march which traced the lst Cadre Company route from Kielce to Krakow.

On 6 August 1981, the first, in the history of the Polish People's Republic, march tracing the route of the lst Cadre was begun. The organizer was Krakow "Solidarity" and participants of the march included members of the Legionnaires Union and the Confederation for an Independent Poland. Later the march was conducted each year, secretly.

"The requirement was that every participant of the march be of majority age," says Jerzy Wozniakowski, who lied about his age when he marked the first time. "Sometimes marchers were seized and interrogated at police stations."

In 1985, ZOMO (Motorized Reserve of the Citizens Militia [special riot police troops]) surrounded the inn in Jedzrzejow where the participants of the march were eating dinner. All of them were fined for taking part in an unlawful assembly.

"The march took place in a secure formation, with point men in the forefront. At night, sentries were posted, but nevertheless, in 1984 the Security Service stole all of the backpacks," says Col. Stanislaw Dronicz. When martial law was imposed, Dronicz resigned from military service. Later he was arrested for publishing the illegal newspaper REDUTA. In 1988 he organized an independent publishing house, "Honor i Ojczyzna" [Honor and Fatherland], with the subtitle, "Only for Officers." When "Solidarity" leadership appeared in the Ministry of National Defense, the colonel was asked to return to active service.

To Kiev

During the times of opposition there were youth groups within the KPN. In Warsaw there were four such young people's clubs. One of them was made up of those interested in the independent literature and another, called the "Dawn of Independence," led by Jerzy Wozniakowski, was interested mostly in the military.

In 1988 the Confederation for an Independent Poland, at its Third Congress, resolved to reactivate the Rifle Association.

"There were two goals. First, we wanted to take control of the young people who hated communism but released their aggression in a dangerous way—by throwing stones during riots. Second—and this was a more hidden goal—we resolved to prepare cadres which could take over positions in the army in an independent Poland," says Col. Stanislaw Dronicz.

The commanders of the Rifle Association were most careful to avoid contacts with weapons. They did not want to give the authorities any pretext to say that they are a terrorist organization. Col. Dronicz believes that had the Rifle Association been formed a few years earlier, it would have been proven in court that the young people intend to march on Kiev.

Neither Slaves nor Goon Squads

The "rifleman's" uniform is, first of all, a visored cap bearing a small eagle with the letter "S" in the middle (for "Strzelec"); this is the only required element of the uniform. Only the rangers from Tarnow do not wear the visored cap. They wear berets and train on the firing ranges of the air-assault troops.

At one time elements of American army uniforms dominated the dress of the "Riflemen." Now more and more of them are Polish. Colonel Dronicz remarks that the boys mostly prefer camouflage jackets.

Because the riflemen liked the Army (independent, and not Polish People's Republic, of course) from the beginning they were disliked by the pacifists from the "Freedom and Peace" movement. Jerzy Wozniakowski, staff platoon commander of "Strzelec" says:

"The anarchists called us slaves, and the press called us Moczulski's goon squad. And none of this is true."

"Strzelec" is not a KPN goon squad, say the members of the union, because, e.g., the Warsaw chapter resolved to protect every independence party; all it has to do is ask for help. They will gladly protect the Christian-National Association or lawyer Sila-Nowicki's Christian-Democratic Party.

"Strzelec" from the beginning, was an apolitical organization, says Wozniakowski.

The Main Commandant of "Strzelec" is Leszek Moczulski, president of the Confederation for an Independent Poland. The Warsaw staff platoon takes its orders directly from the Main Commandant, and then sends these orders out into the field.

When the apolitical "Rifle Association" arose, KPN appointed overseers who watch over the organization to see that it does not go in the wrong direction.

Current Operations

The riflemen have frequently shown that they know how to conduct an organized operation.

In 1988, on Independence Day, at the Tomb of the Unknown Soldier, they guarded the anniversary demonstrations. They fought with the members of the Fighting Youth Federation, who regarded the KPN members as collaborators because they announced that they would participate in the elections.

In Krakow they defended the Russian Embassy, which the young people planned to stone. The riflemen, holding hands like the ZOMO, formed a cordon around the building. Forming a cordon is one of the elements of "Strzelec" training. The Krakow militia, in recognition of their competence, agreed that all KPN demonstrations be guarded by the riflemen, wearing read and white bands on their sleeves.

In Poznan, people assembled at the Old Market Square attacked a lawful demonstration against a proposed antiabortion law. After these incidents, the leadership of KPN Current Operations announced: "We warn the troublemakers that in the future the Riflemen's Association will protect our demonstrations in a more drastic way."

When the PZPR [Polish United Worker's Party] was folding, riflemen in Poznan, Lublin and Katowice occupied its buildings.

"Those were planned campaigns: a sneak approach, putting on the visored caps with the eagles, breaking in,"

says Colonel Dronicz. "But in no case did the order to occupy not come from Commandant Moczulski. The heads of the regional KPN chapters spoke directly to the local 'Strzelec' commanders."

"Rosary" Group

After the June 1989 elections, Strzelec began to split up and three factions emerged. The first was the KPN faction. The second arose in southern Poland under the spiritual leadership of Fr. Alfred Czojnacki. It regarded itself as an all-Poland organization, but it cut itself off from its KPN roots. The third faction was the "Strzelec" Socioupbringing Organization, which derives from the Ministry of National Defense (MON). In 1990, the army organized a camp in Beniaminow for the boys and provided them with uniforms. The KPN "Strzelec" calls the MON "Strzelec" the "rosary group," because in keeping with the army's new ideology, a religious program dominates. The KPN people were most irritated by the fact that the army uses former political officers to create a competitive association.

According to Colonel Dronicz's estimates, KPN "Strzelec" has 1,000-4,000 members, Fr. Chojnacki's "Strzelec" has about 400, and the Socioupbringing Organization's "Strzelec" has about 200 members.

KPN "Strzelec" accepts persons from age 17 and there is no upper age limit.

"When the boys marry and have children, they come only for the May 3d observances," says Wozniakowski.

Recently girls, too, began to be accepted in "Strzelec," which even a year ago was unthinkable.

Magda G. joined "Strzelec" because she believes that sooner or later nurses will be mobilized anyway. She attended topography lessons and drilled in the defensive sports (judo, karate).

At first, Magda G. and Jerzy Wozniakowski's relationship was that of subordinate to superior, now it is a marital relationship.

Waiting for the Fifth-Largest Army

According to Wozniakowski, young people are drawn to "Strzelec" by Pilsudski traditions and by the fact that Leszek Moczulski was always right. Three years ago, when no one believed it, the Main Commandant said that Poland will soon regain its independence.

In May 1989, the "riflemen" confided to GAZETA that Poland is not yet independent and that it will still take a long time until, as during the times of Pilsudski, it has the fifth-largest army in the world.

Now Jerzy Wozniakowski believes that Poland is already independent because the president and the parliament were democratically elected. But the shadow on this independence, according to "Strzelec", is Rear Admiral Piotr Kolodziejczyk, because they believe the present minister of national defense to be a "martial-law person."

"Well, in the Second Republic there were also czarist generals," says Wozniakowski.

It is clear, therefore, that Poland will not be completely independent until Leszek Moczulski is minister of national defense.

The riflemen hope that they will soon be part of the Polish Army. They expect that they will be given preference for admission to military schools and that their service in "Strzelec" will count as part of their military service.

In view of the high rent, KPN left its Warsaw premises and moved into an office in the Sejm building.

Labor, Unemployment Statistics Through Nov '91

92EP0161A Warsaw RZECZPOSPOLITA (ECONOMY AND LAW supplement) in Polish 30 Dec 91 p I

[Unattributed article: "The Country's Economic Situation in November 1991"]

[Excerpt] [passage omitted]

The Labor Market

In November of this year, the average employment in the six basic sectors of the national economy amounted to 5,880,600 people. Following the largest drop in employment registered this year, in July (by 1.6 percent compared to June), it declined at a progressively slower pace in subsequent months. In November, employment was 0.7 percent smaller than in October (by 44,100 people). Employment dropped by 1.1 percent in industry, by 0.8 percent in construction and transportation, and by 0.2 percent in trade. The level of average employment in communications increased by 1.5 percent, and in the municipal sector by 0.8 percent.

Compared to November of last year, average employment in the six basic sectors of the economy dropped by 643,900, or 9.7 percent.

In November of this year, the overall number of the unemployed increased by 67,900, i.e., by 3.3 percent. The rate of growth of the number of the unemployed was somewhat lower than in October. As of the end of November of this year, 2,108,300 unemployed, i.e., 11 percent of the total of the labor force, were registered with employment offices. Women accounted for 52.8 percent of the total number of the unemployed. One in five registered unemployed did not qualify for benefits.

The unemployed who lost jobs as a result of mass layoffs accounted for 22.6 percent of the total number of the unemployed as of the end of November (22.2 percent a month earlier). The increment of this group of the unemployed in November was the lowest since June of

this year, and came to 24,700 (i.e., 5.5 percent). Enterprises intend to lay off about 273,600 employees in the immediate future. This will particularly affect Warsaw, Rzeszow, Gdansk, Wroclaw, Lublin, Kalisz, Poznan, and Piotrkow Voivodships.

The number of registered unemployed graduates of schools above the elementary level dropped, just as it did the month before. By the end of November, there were 224,700 unemployed graduates, which reflects a drop of their number by 4,100 (1.8 percent) during the month. The number of unemployed graduates of higher schools and general secondary schools increased insignificantly (by 1.4 and 0.3 percent respectively).

As of the end of November, the highest rate of unemployment was registered in the following voivodships: Suwalki (18.1 percent), Olsztyn (17.9 percent), Koszalin (17.4 percent), Slupsk (17.1 percent), Ciechanow (16.7 percent), Jelenia Gora and Walbrzych (16.6 percent in both), Lodz (16 percent), Ostroleka (16.4 percent), Wloclawek and Elblag (16.0 percent in both), Gorzow (15.9 percent), Piotrkow (15.5 percent), and Plock (15.4 percent). The rate of unemployment ranged between 10.0 and 15.0 percent in 23 voivodships; in 12 voivodships, it was under 10.0 percent. The lowest rate of unemployment was registered in the following voivodships: Warsaw (4.1 percent), Poznan (5.6 percent), Krakow (5.9 percent), Katowice (6.5 percent), and Wroclaw (7.4 percent).

In November of this year, 25,700 unemployed were employed in emergency projects, and 8,200 were referred for training or retraining. Some 50,000 previously unemployed started working (between January and November, 458,700). There were 60 unemployed per one offer of employment filed with employment offices (51 unemployed the month before). The situation of unemployed women continued to be markedly more difficult than that of unemployed men: There were 105 women per one offer of employment for women, whereas there were 40 men.

In November, four finished strikes were registered in which 18,600 employees participated. The loss of time amounted to 2,600 days. Since the beginning of the year, 301 strikes have been registered, in which 211,800 employees took part. Total loss of time amounted to about 482,000 days. [passage omitted]

Agriculture Minister Presents Rural Policy, Goals

92EP0161B Warsaw RZECZPOSPOLITA (ECONOMY AND LAW supplement) in Polish 3 Jan 92 p I

[Article by Edmund Szot: "What Minister Gabriel Janowski Intends To Accomplish: Contain the Recession and Regain Trust"]

[Text] As is the custom, the first press conference of the new minister of agriculture and the food industry attracted many representatives of the press, radio, and television. Besides, journalists were not the only ones who wanted to learn the orientation of the rural policy of the new head of the ministry, a person with a trade union background who, in addition, is a member of the government which calls itself the turning-point government. It appears that Minister Janowski fulfilled these expectations only to a degree by outlining the planned rural policy of the government in quite general terms and, to a certain extent, even in terms of wishes.

These are the goals which the new minister of agriculture—a department whose role in the entirety of economic policy of the state is to increase quite markedly—would like to achieve.

First, he will strive to contain the recession in agriculture; this goal should be attained simultaneously in the entire Polish economy. Minister Janowski said that if this were to be successfully achieved it would be a success in its own right. Determining the future of the PGR [State Farms], which have been subjected to a difficult test through a change in ownership relations, is the second goal which the minister of agriculture has set for himself. Thus, Minister Gabriel Janowski is against the desire to restore feudal and capitalist relations, which are visible here and there in the Polish countryside, and the first efforts in this direction have already been curtailed. The sale of the PGR to wealthy individuals occurs not only at a loss to the state treasury but also causes social losses. However, it is still not quite clear what the future of state farms is going to be.

The third objective of the new head of the Ministry of Agriculture and the Food Industries is to change the support sphere of agriculture, i.e. processing, trade, and cooperatives, in the direction of increasing the participation of farmers both in the processing of agricultural output and its subsequent sale, accompanied by the simultaneous restoration of authentic cooperative activities. We may view the fourth goal which Minister Janowski has set for himself as the most ambitious. It is reducing the share of the spending of the population on food in the structure of spending, no more and no less. In other words, at issue are new, as the minister defined them—normal, ratios of wages to prices for foodstuffs. Achieving this goal while at the same time increasing the incomes of farmers appears to be a task which is beyond the power of not just one minister but also the entire government.

This is why the attainment of the fifth goal appears more realistic. It involves regaining the confidence of the farmers in the government and the "sowing of hope" which, they say, may be accomplished without investment, that is, by "good words and good government" rather than by money, which is what a peasant woman demanded from the president of the Republic of Poland during last year's harvest festival at Jasna Gora.

In response to questions from journalists, Minister Gabriel Janowski stated, among other things, that he is against increasing the retirement plan contribution for farmers (by close to 50 percent), while he does not

condemn protests by farmers, even in the form of strikes, because he considers them signals sent to the government to the effect that it is not pursuing appropriate policies.

In response to a question by a RZECZPOSPOLITA representative concerning his assessment, in view of the above, of an attempt to set up a new union of farmers, Minister Janowski said that he was not opposed to this. However, it appeared to him that this was an unnecessary enterprise because both unions already in existence defend the interests of the farmers quite effectively, and actions aimed at reinforcing them further would be more feasible. Since the goals the new minister sets for himself lead to the assumption that he will resort to the methods of "steering the economy manually" to achieve them, Minister Gabriel Janowski dispelled these fears by stating that he would strive to better utilize market institutions and arrangements, such as the Agency for Agricultural Marketing or the Antimonopoly Office.

The structure of the Ministry of Agriculture and the Food Industries will be changed, in part in keeping with the suggestions of the American adviser to the previous minister, and in part in keeping with the results of operation of our own team set up to this end. In the process, personnel in some positions will change. Some of the positions are likely to be filled with people carrying membership cards of the PSL [Polish Peasant Party], a party which would like to take more than just these positions in the administration.

The press conference of Minister Gabriel Janowski began at 1100. Before it began, the new minister had already managed to visit, on the same day, the Nowy Modlin state farm and farmer Mieczyslaw Sotomski in the village of Dziekanow. This is good testimony to the diligence of the new head of the ministry and his desire to seek "firsthand" information. Time will tell whether diligence and dedication will suffice in order to solve the dangerous, accumulated problems of the Polish countryside. Gabriel Janowski said: "If farmers find that I do not meet their expectations, I will leave."

EC 'Aggression' Against Yugoslavia Condemned

92BA0290C Belgrade POLITIKA in Serbo-Croatian 19 Dec 91 p 3

[Article by Dr. Aleksandar Prlja: "Law or Right of the Stronger"]

[Text] What the foreign ministers of the European "Twelve" decided about Yugoslavia late the night before last in Brussels will certainly not go into the history of European diplomacy as support for and a contribution to strengthening legality and internationally recognized norms in relations among states. It has to do with brutal pressure by a group of countries that is not based on anything else but the so-called right of the stronger.

As in Njegos's verses that "a wolf has a right to a sheep, as a tyrant does to a weak man," the heads of diplomacy of the group of 12 states committed an almost unprecedented aggression against the legal order of Yugoslavia, but also against the international legal order as a whole.

It is pointless that one of the five officially stated demands by the EC, emphasized as one of the preconditions for the recognition of new states, is respect for the provisions of the UN Charter and obligations undertaken on the basis of the 1975 Helsinki Final Act. It is a smokescreen with which they are trying to conceal the truth.

That truth is that the ministers of such old democratic countries, in attempting to establish a "new European order" after the collapse of the Warsaw Pact and the USSR, have completely bypassed obligations under international law. The ministers of a group of countries which cannot under any circumstances be a substitute for international order and international law as a whole, decided that, by using various lures and bypassing elementary international principles, they would offer and "approve" independence for parts of a country that is even today a full-fledged member of all important international organizations and institutions.

By undertaking at the end of the 20th century the role that the infamous Holy Alliance awarded itself after the end of the Napoleonic wars, they have, without first severing diplomatic relations with Yugoslavia, proclaimed all six of its republics to be equally legitimate successors of the whole. In their desire to put, for instance, Serbia, Montenegro, and the others in the same position, and especially to encourage and protect the two tyrannical secessionist republics, Croatia and Slovenia, the ministers from Brussels have cynically addressed both Montenegro and Serbia and asked them to demand their own independence, and from no one else but those 12 states! There is no mention of the fact that Serbia, for instance, has been a fully recognized international entity since the Berlin Congress in 1878. It does not need any new confirmations of its statehood and its continuity under international law at all.

It did not help at all that the 12 ministers, who in this way are establishing order on the continent where they have founded an economic group with political and military ambitions, were warned ahead of time by the UN Secretary General and his advisers that they should not do anything like that. It did not even help that at least two great allied countries from the last war, the United States and the USSR, warned the EC that this kind of violent destruction of legitimacy in the interest of two secessionist republics that did not exist prior to Yugoslavia would be a dangerous challenge to peace and the principles of relations in Europe and the world.

Nothing helped, not even the apparently breathless French and British attempt (we do not know how great or how sincere it was) to "hold back" somehow the German pressure that everyone is feeling.

Thus, with deadlines presented as ultimatums like 23 December of this year or 15 January of next year, a new phase in European history has begun. There is no doubt that that tyrannical phase, with respect to Yugoslavia, has been made possible by a prolonged process of deliberate demolition from within.

The destruction of Yugoslavia's identity and independent status began to a great extent during Tito's life and during the life of the so-called AVNOJ [Anti-Fascist Council for the National Liberation of Yugoslavia] Yugoslavia and Serbia. It is simply more and more difficult to rid oneself of the impression or idea that during those years and decades the country has been simultaneous and deliberately destroyed from within and from outside, in accordance with a more or less tacit agreement—perhaps an agreement that has its roots as far back as the talks between Churchill and Tito, or Tito and Subasic, with the blessing of Moscow and Stalin. Thus, without the slightest murmur, the West appeared for years in the role of the constant and benevolent financier of an experimental state that was never able to live long independently. Not even the debts were carefully signed, nor was their repayment then demanded. The annual "additions" of several billion dollars each offered Yugoslavia the appearance of stability...and further encouraged, deliberately or not, the demolition of Yugoslavia, following the model of the good old Austro-Hungarian Empire and its more or less illegitimate offspring.

Thus, a time came when new debts began to be signed off on carefully, and Tito's death was approaching with physical inexorability. Suddenly the truth was lost about, for instance, the Greek-Serbian border, which Serbia had instituted at the time when Yugoslavia was created. At the same time, all autonomous areas were abolished on the territory of today's Croatia, and even the autonomy of Dalmatia. Serbs were forbidden to return to their homes in Kosmet [Kosovo and Metohija], and Enver Hoxha and his state, which never existed before the destruction of the Turkish Empire, were promised the direct creation of a "Greater Albania," with sacred Serbian lands as parts of it!

Now we are only reaping the harvest of what was perhaps not even accidental, much less spontaneous. What concerns us most of all under the newly created circumstances, of course, is the disrupted balance of forces between international law and the foundations of the postwar international order, and the above-mentioned right of the stronger, which does not hesitate at anything, under various democratic facades and guises, not to mention pretexts. It is easily possible to imagine that the tyrannical dismemberment of Yugoslavia through unilateral decisions by the republics, which never even existed at all before Yugoslavia was created, has been assisted above all in order to make possible the formation of a large central European formation. Berlin and Germany would be all-powerful in it, and France and Britain would find themselves on the periphery of European events and European influence.

It can even be said that certain people, of course, planned ahead of time on the outbreak of armed conflicts, which are now being taken as a convincing pretext for intervention by civilized Europe, which supposedly cannot look on, in this glorious time of peace and cultured relations, gradual unification, and technological progress, while those Balkan peoples and little states are massacring each other. They are also assisted in this, consciously or not, by part of the opposition in Serbia and Yugoslavia. That part, without going into the historical essence of what is happening at all, is loudly attacking the ruling majority in Serbia as the principal, and virtually only culprit behind everything.

This is simply unbelievable. Precisely at a time when Serbs, undermined, among other things, by half a century of the interruption of their self-awareness, need more than anything to strive for the greatest possible degree of unity, the only thing that can sustain them after so many experiences and the threat of breakup and destruction—the seeds of division, now, are sprouting on all sides.

Certainly, the ruling majority in Serbia is not infallible. It probably made a mistake by easily accepting the EC as a body and organization qualified for negotiations on the final outcome of the Yugoslav crisis and the fate of Serbia and Yugoslavia. The Brioni agreement in July regarding Slovenia and "its" borders, and then the acceptance of the Hague Conference and the classically insincere champion of the British diplomatic tradition as the principal interlocutor and arbiter, confirmed that even today, we are too well-meaning and naive in our dialogue with the Twelve.

Instead of that, we should first of all adhere firmly to the principles of international law. We cannot, for example, reduce our present policy merely to a more or less positive or more or less negative response to the demands, presented as ultimatums, of just one group of countries linked together by treaty obligations of economic union. Even if it is obviously late, we must turn to the defense of the fundamental principles in the treatment of states and their possible successions. The breakup of states cannot be one of those principles.

The fact that the EC's crude pressures have been directed primarily toward the selfish interests of certain parts of the Yugoslav whole cannot be of decisive significance. No matter what the current interests of certain of our parts—republics—are like, some of them, sooner or later, have to sober up and come awake with a start in the face of the onslaught from outside. No one can prove that the position of Montenegro, Serbia, Istria, Macedonia, or Bosnia-Hercegovina can be consolidated in the long term through any outside financial aid whatsoever. If all of this is broken up into smaller parts, as people are trying to ensure, then the process will go further. Italian symbols will return to some of those parts, and German and Austrian ones, not to mention Turkish ones, to other parts. That is the relentless logic of history. No one has ever fundamentally changed it, in spite of temporary appearances.

Therefore, this is a time when we have to close ranks, even regardless of what kind of direct complications will result from the latest crude pressures from the EC. If those ranks are kept more or less closed, then the tyrannical actions by certain EC states, but also the EC as a whole and those prescribing peace, war, and everything else in Europe, will inevitably cause a reaction by more important partners, more or less distant. Even if it is undoubtedly late, the world should be given the message that this is a phase when the EC is trampling all customary practices and international legal scruples. In this regard, nothing is changed by the fact that unfortunately, the fact that after all this the scale of the war on Yugoslav territory could even expand and the number of casualties could increase is less important to the EC countries. Consequently, it is not the danger of war that is driving them to such biased and unilateral actions. The truth is not what they swear by.

There are undoubtedly much more prosaic reasons. The fact that this is being understood better and better outside the EC, and partly among the public in those countries themselves, sufficiently indicates that this does not involve any sort of "Serbian obsession" with German aggression. If this were only a question of some sort of deliberately encouraged Serbian nationalistic exclusivism, then there would not be so much revulsion against the behavior and aggressiveness of Kohl and Genscher in America, many countries of the "Third World..."and even on the European continent itself.

In all of this, dignity and calm reasoning must naturally play an important role. We are convinced that time is not on the side of the EC's aggressive policy in revising and forcibly imposing a new European order. If someone doubts this, he should at least turn to the various frequent interpretations that we are encountering these days among the German public. It is being more or less openly said there that "the Serbs are weak now," and that their homogeneity, after everything to which they

have been and still are exposed, is not what it once was—in other words, that it is not necessary to fear them, and instead further pressure should be put on them.

That is certainly not the language of peace, unification, democracy, and a new democratic order. It is a language well known from the past. In the past, it has not brought Germany, like other designers of a "European order," from Rome and Carthage to Stalin and Hitler, anything lasting or anything good.

Finally, one should also keep in mind the fact that this present war was actually imposed upon Serbia. Serbia certainly did not want it, and did not provoke it. It did not strive despotically, for example, for the annexation of the historical lands of the Serbian people in Yugoslavia—its territories tailored by AVNOJ. The assertion of that Serbia and its government are responsible for the war would, which is also causing numerous Serbian casualties, therefore not withstand any serious analysis. All of this should be kept in mind now, when we are facing a challenge that is not only a threat to Serbia, its inhabitants, and parts of the Serbian people in Bosnia-Hercegovina, but also much more than that.

This has to do with the fact that giving in to a diktat carried out and planned from outside has never brought anything good to relations in Europe. One should also keep in mind the fact that as a rule, it seems to every generation that "now everything is better and different." It seems so, but unfortunately it is not. Retreating in the face of violence has never brought anything good to Europe. This is not just a question of Yugoslavia, Serbia, or what is left and should remain of Yugoslavia. Will this be forgotten by everyone?

Highest Rating in Slovenia to Kucan, Genscher

92BA0366B Ljubljana DELO in Slovene 28 Dec 91 p 3

[Article by J.T.: "Milan Kucan and H.-D. Genscher Are the Positive Figures of the Year"]

[Excerpt] Ljubljana, 27 Dec—The end of the year is the time when the media choose the figure of the year. DELO's editorial office, with your help, has also chosen the figure of the year. Whom did you choose as the positive figure and as the negative figure of 1991, in Slovenia and outside it? These four questions were answered by 1,075 people polled in a field survey in 57 Slovene districts.

A convincing lead among the positive figures belonged to Milan Kucan, with 669 votes; 156 individuals chose Janez Drnovsek, and then come names that are also known from the monthly polls conducted by our STIK agency in cooperation with the editorial office. Dimitrij Rupel is in third place, followed by Lojze Peterle, and then Jelko Kacin, Janez Jansa, etc.

The respondents gave the negative top place to Lojze Peterle, who received 436 votes; the second most negative figure, with 161 votes, is Joze Pucnik, followed by France Bucar, Rajko Pirnat, Joze Skolc, Katja Boh, Dimitrij Rupel, Ciril Ribicic, Emil Milan Pintar, etc.

It should be added to this that the respondents, who were chosen in accordance with a previously determined quota sample with precisely designated social and demographic characteristics (sex, age, education) were free to cite positive and negative figures. It is not possible to conclude that the results were influenced by the publication of the articles in DELO and SLOVENAC, "From the Pulpit With Love" and "A Miracle Saved Peterle," which dealt with the unfortunate choice of a figure of the year on the radio program Wave 202.

Among the non-Slovene figures, most of those polled, 348, chose Hans-Dietrich Genscher in first place among positive figures. He was followed by Chancellor Kohl, with 272 votes, and after them came Boris Yeltsin, Mikhail Gorbachev, George Bush, Lord Carrington, and others.

Not surprisingly at all, the top negative place belonged to Serbian President Slobodan Milosevic, who received 565 votes; he was followed by U.S. President Bush with 157 votes, and then by Italian Foreign Minister De Michelis, Croatian President Franjo Tudjman, General Veljko Kadijevic, and others.

Both in choosing domestic positive and negative figures and in voting for foreign positive and negative ones, many individuals were also named, mostly politicians, who received only one to four votes apiece.

My choice of the positive figure of the year in Slovenia is:

Name	Men	Altogether	Women
	(in percent)		
1. Kucan	55.2	62.2	69.4
2. Drnovsek	15.5	14.5	13.5
3. Rupel	6.1	4.4	2.6
4. Jansa	3.0	2.2	1.5
5. Peterle	5.4	3.9	2.4
6. Other	13.5	11.6	9.6
7. Don't know	1.3	1.1	0.9
Total	542	1,075	533

Ethnic Structure of Istrian Peninsula

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[Article by Franco Juri and Dario Maresic: "Risky 'Historical Rights' Operation"]

[Text] At a time when many people are reviving the issue of the borders in Istria, the "historical rights" of one people or another, and the former ethnic structures of

the Istrian population, even with the transparent intention of justifying the restarting of border disputes (Italian nostalgics on the western border, and certain Slovene ones on the southern border), it is necessary to deal with the Istria question as objectively as possible and with the least possible political and national baggage. It is immediately necessary to avoid any desires to try to prove who has more rights to the peninsula, namely because Istria is an integral part of three sovereign states (Croatia, Slovenia, and, with the Milje and Dolina opstinas, Italy), and as a region it can only develop in that kind of realistic framework, with maximum overlapping (relativization) of the existing borders.

In fact, it is well known that state borders do not always coincide with ethnic ones. The picture is particularly complicated in Trieste and Istria. If people had wanted to trace the border immediately after World War II exclusively according to ethnic lines of separation (taking into account the fact that Trieste was predominantly Italian and that its population, to a great extent, had chosen Italy), today the Slovene coast would extend from Miramar to Trzic, where the northern and western coast of Istria would be Italian, and the interior Slovene and Croatian. Because the hypothetical course of the state borders would be very complicated, with numerous ethnic-state enclaves, we can only observe that the present borders, although not ideal, are at any rate optimal, and that any change in this sensitive balance could cause a domino effect, with unforeseeable consequences. Although only indirectly, more and more has been said recently about the possibility of "replacing" the Slovene Istria towns of Gradin and Topolovec with the Croatian Istria areas of Savudrija and Kastel.

This would be "haggling" above the heads of the inhabitants affected there; and just the above-mentioned hypothesis is already triggering justified and legitimate reactions on the part of the local inhabitants being "haggled over." The mood in Istria is deteriorating!

Istria has always been a multiethnic land. The quantitative relationship among the more or less autochthonous ethnic groups on its territory has changed several times. After the arrival of the Slovenes in the 7th century, the Slovene population, which to a great extent settled the rural interior (whereas the old Roman-Byzantine cities along the coast were primarily Roman), predominated to some extent. After the differentiation of peoples in the 19th century, the Croatian ethnic group had a relative majority, followed by the Italian group and then the Slovene one. The Croats and Slovenes together constituted a convincing majority, which also had significant political weight in light of Illyrism, Pan-Slavism, and the Yugoslav perspective. The ethnogenesis of Istria is extremely complicated. It was particularly influenced by dramatic circumstances during the times of Venetian and Austrian rule: wars, plagues, exoduses, refugee settlements, colonies, merchants, soldiers from different parts of the Balkans, the Mediterranean, the Apennine peninsula, the Alps, etc.

When the Austrian authorities began systematic censuses of the population toward the end of the 19th century, the national identity of Istrians was rather hazy and undifferentiated. In spite of the Austrian bureaucracy's efforts to have the Istrian population finally identified according to its ethnic structure as objectively as possible, interpretations of the results offer a wide range of deductions. Consequently, the population censuses should always be read while taking into account the fact that all sorts of things were overlooked, as well as taking into account the popularity and superficiality of the census takers.

Every census (especially older ones) is realistic to the extent that we can analyze it. As an example, we can take the choice of stating a regional membership instead of a dictated (either-or) ethnic one. Of course, those who identify themselves as Istrians are considered by some to be "unenlightened" Croats, by others, "unenlightened" Serbs, and by yet others, "unenlightened" Slovenes; this may mean a regrettable doubt about the intellectual capacities of those who were covered by the census. Since regionally declared Istrians fall into two categories, "neither-nor" (neither Croats nor Slovenes nor Italians), and "both" (both Croats and Slovenes and Italians), "either-or" is an unacceptable possibility.

Another sort of "pose" is also the indifference to the assimilation of unprotected ethnic groups, for example, that of the Istro-Romanians, who do not have an identified "national homeland" (Romania is too far away, and to different). Their stating themselves to be something else, or a third thing, has been welcome to the majority.

The weekend visitor from Ljubljana, Zagreb, or until recently Belgrade as well, because of the monocultural environment, will undoubtedly expect more rights than an Istro-Romanian will ever have in Koper or Opatija, but also in Susnjevica or Zejane. Why does it actually indicate all this? Because there are a multitude of factors that influence a statement of ethnic identity; they also include fear, distrust, stubbornness, self-interest, indifference, or a lack of communication. It is the latter that is possibly the most important in our case. With respect to the older censuses, it will probably always remain unknown how many people in Istria actually called themselves Slovenes. In fact, among the Istrians (in the Croatian part of the peninsula), there is the term "Slovinci," which does not designate Slovenes (they are usually "Kranjci"), but rather "Slavs," who are distinguished from the "Latins." It is almost certain that in 1880 the "Slovenes" in Bucva and Baderna were actually "Slovinci":

The land-register opstina Bucva:

1880: 0 Croats, 180 Slovenes, 269 Italians
1890: 299 Croats, 4 Slovenes, 177 Italians
1900: 111 Croats, 3 Slovenes, 484 Italians
1910: 261 Croats, 0 Slovenes, 383 Italians
1945: 567 Croats, 25 Slovenes, 25 Italians

The land-register opstina Baderna:

1880: 0 Croats, 401 Slovenes, 334 Italians
1890: 299 Croats, 5 Slovenes, 177 Italians
1900: 824 Croats, 0 Slovenes, 82 Italians
1910: 1,069 Croats, 0 Slovenes, 96 Italians
1945: 991 Croats, 3 Slovenes, 10 Italians

There was also a sudden suspicious increase in the number of Slovenes in 1910 in southern Istria, in Fazana, an area with a majority Italian population.

The land-register opstina Fazana:

1880: 3 Croats, 0 Slovenes, 545 Italians
1910: 114 Croats, 138 Slovenes, 958 Italians, 576 Other
1945: 490 Croats, 5 Slovenes, 4 Serbs, 1,042 Italians, 4 Other

The unreliability of the bare numbers is also reflected in the censuses conducted in Peroj, an area with the documented presence for centuries of a majority population of Montenegrin origin, which is distinguished from the neighboring areas both by their Stokavian dialect and their Orthodox religion. Up until the 1945 census, neither Montenegrins nor Serbs were noted. According to the censuses from 1880 to 1910, Croats constituted a large majority of the population of Peroj. Only a few were Italians. Likewise, a speculative interpretation can be made of the data from the census for the Druguc area, where in the 1880 and 1900 censuses, Italians were in a clear majority, whereas Croats predominated in other censuses. The fact that the censuses were conducted under the influence of current indirect or direct political and national interests is also demonstrated in noting the number of Istro-Romanians, who are only in the majority in the village of Kostrcana, namely from 1890 to 1945, ranging from 97 percent in 1900 to 77 percent in 1945. In 1880, there were supposed to be only 0.16 percent Istro-Romanians in that area, along with 97.08 percent Italians (?!) and 2.76 percent Croats. In what until recently was the completely Istro-Romanian Zejane in Cicarija, it was only in 1890 that 65 percent were Istro-Romanians, and 29 percent were Slovenes. In all the other censuses, 100 percent of the inhabitants were Croats.

In Savudrija, which some people among us like to assign to Slovenia, also citing the former ethnic structure of the population there, until 1945 the Italians were in an absolute majority (from 74 to 82 percent); the postwar increase in the number of Croats may have been at their expense, but by no means at the expense of Slovenes, who were even in a majority in 1945 (70 percent). To be sure, their percentage is lower. The size of the total population in Savudrija increased from 471 to 579 between the years 1910 and 1945, and mostly as a consequence of internal migrations. Finally in the city of Piran as well, from 1880 to 1910 (according to census results), there were at most nine Slovenes, but in 1945 there were 430. The large number of Slovenes in Savudrija, who are being speculatively cited today by many people, was seasonal in nature, to the best of our knowledge.

Since in 1880 there were 863 Slovenes in Kastel, and not one Croat or Italian, we can add that in that same year in Gradin (in the Koper opstina) there were 332 Croats, 155 Italians, and not one Slovene. In Kostbona (in the Koper opstina), there were even supposed to be 112 Serbs in 1910! In Koper itself, according to the censuses from 1880 and 1890, in addition to the majority Italian population (84 and 91 percent, respectively), there were more Croats than Slovenes.

It was only in the 1956 census that Slovenes appeared as a majority in that city for the first time, i.e., just after the end of the exodus of at least half of Istria's population.

From all the above, it follows that any sort of interpretation of census data and its use in determining the ethnic picture and "historical rights" of a complicated environment, which Istria undoubtedly is, is a very risky operation. If we want to deal with the Istrian ethnic question without political expectations and inclinations to disparage one state sovereignty or another, and vulturelike territorial appetites, we must consequently proceed on the basis of several objective points of departure, such as history, ethnology, dialectology and linguistics, onomastics, toponomastics, etc. We will deal with the complicated linguistic structure some other time.

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