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HUNGARY

MDF Official Slated for Post of Prime Minister Interviewed

25000495A Budapest HETI VILAGGAZDASAG in Hungarian 7 Oct 89 p 79

[Interview with Jozsef Antall, MDF board member, by Andras Lindner and Zoltan Horvath; date and place not given]

[Text] Jozsef Antall is the director of the Semmelweis Museum and Archives of Medical History, and is a member of the Hungarian Democratic Forum [MDF] Board.

"My father made the greatest impact on my political thought and human conduct," Antall says. During the second World War his father served as a counselor in the Ministry of the Interior, and as government commissioner for refugee affairs. Between 1945 and 1946 the elder Antall served as minister of reconstruction and minister of finance in the coalition governments headed by Zoltan Tildy and Ferenc Nagy, and was national director of the Independent Smallholders Party. The younger Antall manifested interest in history, sociology, and ethnography during his high school years. First he obtained an archivist's certificate, then a high school teacher's diploma in the field of history and Hungarian literature from the Lorand Eotvos University of Science [ELTE]. He continued his studies between 1950 and 1962. In addition to the above credentials he holds a certificate in library sciences and in general museology, but he also attended anthropology and cultural history classes. He received his doctoral degree in philosophy in 1969.

The National Archives was his first workplace. From there he moved on to the Scientific Education Institute, while teaching at the Eotvos Gymnasium. In November 1956 he was elected chairman of the school's revolutionary council. He was arrested for his activities during and immediately after the revolution, and was banned from teaching. Between 1960 and 1962 he worked as the librarian of the Budapest Ervin Szabo Library, and was able to teach again only beginning in 1962. In 1964, however, he was appointed as chief scientific associate at the Semmelweis Museum of Medical History, and in the same year he received a promotion to become deputy director of that museum. When the Semmelweis Museum of Medical History was merged with the National Library of Medical History, Antall became the second ranking official of that institution. Beginning in 1974 he was acting director, and in 1984 he became the director.

Antall is a founder of the Hungarian Democratic Forum. He also took part in the reorganization of the Independent Smallholders Party. He is the executive secretary of the Hungarian Council of the Europe Movement. "I was able to deal with politics during the past decades only as

a hobby, and what could have been my hobby in other times—art history and works of art—was my main occupation.

[HVG] Your biography reveals that you have been a very precise researcher at the same workplace for a quarter century. How did you suddenly become part of political life?

[Antall] My basic interest was always in politics. Beginning in childhood, I grew up in a family receptive to, and active in politics. In 1956, at the age of 24, I was chairman of a revolutionary council, and I was active in the Smallholders Party. All along it was my goal to establish a national political democracy free of chauvinism, which streamlines national values with Christian principles and with the idea of European unity.

[HVG] How did you become aware of the fact that the MDF unfurled its banner at Lakitelek?

[Antall] My old friends, Sandor Csoori and Gyorgy Szabad, invited me.

[HVG] What were your expectations in going to Lakitelek?

[Antall] I thought that political evolution would take place slowly. I did not believe that events would accelerate the way they did. I thought we would have to wait for several years before a national political movement could really evolve, following the moral collapse of society.

[HVG] How did it feel to appear before millions of television viewers after the trilateral negotiations, and after so many quiet years?

[Antall] Television did not influence me at all. I said exactly what I believe in. I never had an itch to appear before audiences. They called me several times to appear on television, but I always declined.

[HVG] Indeed, we had difficulty persuading you to give us this portrait. Is this perhaps because it is your ideal to be an impersonal politician, one who directs from the background?

[Antall] No. It all amounts to the fact that I do not like to push myself to the forefront.

[HVG] Don't you think that perhaps your father's reputation contributed to your being discovered?

[Antall] He was not known by everyone, I do not believe that he would have played any indirect role in this regard.

[HVG] Did he caution you about politics, or did he encourage you to become involved in politics?

[Antall] He always wanted me to choose a "civilian career," to become a physician, for instance. At the same time we always talked about politics at home. Discussion of politics played the definitive role in our relationship.

I recall him saying that law begins where rationale ends, and where law ends, morality is all that is left to guide human conduct. I still hear him saying: Truly asinine statements are made only by educated people. I am still experiencing the truth of this statement.

[HVG] Why did you not follow your father's political heritage at this time and join the Smallholders?

[Antall] Because I became a member of the MDF first.

[HVG] Why didn't you switch later, if that was the only reason?

[Antall] Like the Smallholders, the Christian Democrats were also looking for me and offered an office in the leadership. But I felt that the MDF represented an established, solid base, most advanced in terms of organization. I believe that the MDF embodies most the idea of a political center, which will provide us the best opportunity to adapt to the European political structure. It will do so in cooperation with the organizations mentioned before.

[HVG] Which of your roundtable "opponents" made the greatest impression on you?

[Antall] I will not discuss personalities, because any judgment may give rise to misunderstandings and untrue interpretations.

[HVG] Did anyone of your opponents convince you of anything in the course of negotiations?

[Antall] I do not recall any such thing.

[HVG] Some critics have accused the MDF of being nationalistic and even antiminority/anti-Semitic in its outlook. What do you have to say about this?

[Antall] I consider this a depraved defamation of character. The MDF has conducted itself properly in this regard, and has condemned all such extreme viewpoints, both in its programs and in its initiatives.

[HVG] Would you be willing to exchange the director's seat for a more "velvety" seat?

[Antall] I have no personal plans, despite the fact that certain rumors have spread. In today's political public life I would consider even a protest in regard to such questions to be ridiculous.

[HVG] What is Jozsef Antall afraid of in this political public life? Do you have your own political fears?

[Antall] I do not have any personal fears, but time hastens us. Democratization cannot be prolonged because the entire country will go down. An interesting situation has evolved. In general, every political opposition party takes advantage of social dissatisfaction, but we cannot do so in this situation. Unfortunately, fundamentalists are able to take advantage of the desire to establish order. I also have concerns in this regard. Can we establish a legal and economic system of conditions

that are indispensable to the rational utilization of essential Western support? Unfortunately, I am not entirely certain of this.

Draft Law on National Assembly Elections Published

90EC0055A Budapest MAGYAR HIRLAP in
Hungarian 16 Oct 89 pp 6-8

[Text of "Draft Law on the Election of Deputies to the National Assembly"]

[Text]

PART ONE: RIGHT TO VOTE AND RIGHT OF CANDIDACY

1. The right to vote is general and equal. Voting is direct and by ballot.

2.1. Except as specified in Paragraph 2, every adult citizen of the Hungarian Republic (hereinafter: enfranchised citizen) has the right to vote in elections to the National Assembly.

2.2. The following do not have the right to vote:

- a) persons placed under guardianship that limits or rules out their capacity to manage their own affairs;
- b) persons whom the court, in a final sentence, has banned from participation in public affairs;
- c) prisoners serving their sentence; and
- d) persons committed to an institution for compulsory medical treatment, on the basis of a final order issued in the course of criminal proceedings.

2.3. Anyone who has the right to vote and maintains his permanent residence in Hungary also has the right of candidacy.

2.4. Any person who is abroad on election day or does not have a permanent residence in Hungary is hindered from voting.

3. Any enfranchised citizen is free to decide whether he wishes to exercise his right to vote.

PART TWO: THE ELECTORAL SYSTEM

I. National Assembly Deputies

4.1. The total number of seats in the National Assembly is 374.

4.2. The single-member election districts jointly elect 152 deputies, and the county and Budapest election districts (hereinafter: regional election districts) elect another 152 deputies on the basis of lists. The remaining 70 seats are filled from the parties' national lists, on the basis of nationally aggregating the votes that were cast in the single-member and the regional election districts that did not win seats there.

4.3. A supplement to this law contains the numbers of single-member election districts in the various counties and in Budapest, the number of seats that the individual regional election districts may fill, and the principles for drawing the election districts.

4.4. The rights and duties of the deputies are identical regardless of whether they have been elected in single-member election districts, regional election districts, or on a national list.

II. Nomination

5.1. In a single-member election district, enfranchised citizens and the voluntary organizations that meet the provisions of the Law on the Operation and Management of Parties (hereinafter: the parties) may nominate candidates under the conditions specified in Paragraph 2.

5.2. In a single-member election district, signed and verified nomination forms from at least 750 enfranchised citizens are necessary to nominate a candidate. The nomination form shown in a supplement to this law must be used exclusively. An enfranchised citizen may nominate only one candidate, and only in the single-member election district in which the enfranchised citizen maintains his permanent residence.

5.3. In a regional election district the candidates are nominated by the parties on their regional lists. To file a regional list, a party must be fielding a candidate in one-fourth of the single-member election districts within the given regional election district (according to the breakdown of the number of single-member election districts by regional ones, in a supplement to this law) but in at least two single-member election districts in any event. The party's right to file a regional list is not affected if the party's candidate in a single-member election district withdraws before the first round of balloting.

5.4. To file a national list, a party must have filed lists in at least seven of the regional election districts.

5.5. Parties may also file joint lists or may combine their lists.

5.6. Twice as many candidates may be nominated on a regional or a national list as there are seats to be won on these lists.

5.7. The same candidate may be nominated simultaneously in one single-member election district, and on two regional lists and one national list. If the candidate wins a seat in the single-member election district, his name must be deleted from the regional lists and the national list. If, as a result of the balloting, the same candidate would be winning a seat on both regional lists, the party nominating him must specify the regional list from which he will accept his seat. The party's statement to that effect must be filed with the National Election Committee before the preliminary results of the election are announced. When the party's candidate has won a

seat on one regional list, his name must be deleted from the other regional list and the national list.

5.8. When a candidate drops out of a party's list, he is replaced by the next candidate on the list.

6.1. At least 30 days before election day, the names of the candidates in a single-member election district must be filed with that district's election committee; the regional list of candidates, with the regional election committee; and the national list of candidates, with the National Election Committee.

6.2. A statement from the candidate must be attached to the nomination declaring:

- a) that he is eligible to vote;
- b) that he accepts the nomination; and
- c) that he does not have any office which is incompatible with becoming a deputy, or that he will resign from such an office if elected.

6.3. If a candidate drops out of the regional or the national list after the filing of such a list, the party may also submit the name of a substitute candidate at least 8 days before election day.

6.4. The election committee must register every filed nomination that meets the statutory conditions.

III. Determination of Election Results

7.1. In a single-member election district, the candidate who in the first round of balloting receives more than half of the valid votes cast wins the seat, provided that more than half of the district's enfranchised citizens turned out to vote.

7.2. If more than half of the district's enfranchised citizens failed to vote in the first round of balloting (hereinafter: invalid round), then in the second round:

- a) all the candidates may run who ran in the first round, and
- b) the seat will be won by the candidate who receives the most valid votes, provided that more than one-fourth of the district's enfranchised citizens turned out to vote.

7.3. If more than half of the district's enfranchised citizens did turn out to vote in the first round, but none of the candidates received more than half of the valid votes cast (hereinafter: unsuccessful round), then in the second round:

- a) those candidates may run who each received at least 15 percent of the votes in the first round; or, in the absence of at least three such candidates, the three candidates who received the most votes in the first round; and

b) the seat will be won by the candidate who receives the most valid votes, provided that more than a quarter of the district's enfranchised citizens turned out to vote.

7.4. At least 8 days before election day, the parties fielding a joint candidate in a single-member election district must inform its election committee in what proportions the fractional votes will have to be aggregated nationally.

7.5. A byelection (Section 46) must be held if the first or the second round of balloting could not be held in a single-member election district because no candidate was running.

8.1. In a regional election district, the candidates on the parties' lists win seats in proportion to the number of votes cast—based on the method of computation described in a supplement to this law—and in the sequence they are listed on the ballot, provided that more than half of the enfranchised citizens turned out to vote.

8.2. If the first round in a regional election district was invalid because more than half of the enfranchised citizens failed to vote, then all the party lists that ran in the first round may also run in the second round. The candidates on the parties' lists win seats in proportion to the number of votes cast—on the basis of the method of computation described in a supplement to this law—provided that more than one-fourth of the enfranchised citizens turned out to vote.

8.3. Should an unfilled seat remain in a regional election district after the computations pursuant to Paragraphs 1 and 2, then the candidate who fell short of the the minimum number of votes that would otherwise be required to win a seat, but who received more than two-thirds of that minimum, also wins a seat. Among several such candidates, the one with the most votes wins the seat.

8.4. When a seat is won pursuant to Paragraph 3, the difference between the minimum number of votes that would otherwise be required to win a seat and the number of votes actually received must be subtracted from the national aggregate of fractional votes for the party fielding the candidate.

8.5. Even in the case of Paragraphs 1-3, however, the candidate on the regional list does not win a seat if he fails to receive more than two-thirds of the minimum number of votes otherwise required to win a seat in the given regional election district or if his party fails to receive more than 4 percent of the national aggregate of valid votes casts for the regional lists.

8.6. The parties that filed notice of combining their lists at least 8 days before election day will win seats in proportion to the combined total of votes cast for their lists. Together with filing such a notice, the parties must also inform the election committee of the sequence in

which the candidates are to be awarded seats. The election committee makes this notice and information public.

8.7. At least 8 days before election day, the parties that filed a joint list or combined their lists in a regional election district must inform the election committee about the proportions in which the remaining fractional votes cast for the joint list or the combined list will have to be taken into consideration in the national aggregation.

8.8. If two or more parties are tied and each would win seats with the number of votes received, but there are fewer seats available than the number of tied parties, then the seats must be divided among them in the sequence of the party lists' serial numbers.

8.9. A byelection (Section 46) must be held if the first or the second round of balloting could not be held in a regional election district because no party list had been filed.

9.1. Candidates on the national lists win seats in proportion to the national aggregates of fractional votes, and in the sequence in which they are entered on the lists. The following qualify as fractional votes:

- a) in a single-member election district, the votes cast in the first valid round of balloting for party candidates who failed to win a seat in either round; and
- b) in a regional election district, the votes that were cast for party lists, but were not enough to gain seats or exceeded the number of votes required to gain seats.

9.2. The votes cast in an invalid round of balloting do not qualify as fractional votes pursuant to Paragraph 1; therefore they do not count from the viewpoint of gaining seats on the national lists. The votes cast for the regional lists of any party whose national aggregate of such votes does not exceed 4 percent of the national aggregate of the votes cast for the regional lists of all the parties likewise do not qualify as fractional votes.

9.3. The parties that filed a notice of combining their national lists at least 8 days before election day will win seats in proportion to the combined total of fractional votes allocated to their national lists. Together with filing such a notice, the parties must also inform the National Election Committee of the sequence in which the candidates are to be awarded seats. The National Election Committee makes this notice and information public.

PART THREE: THE ELECTORAL PROCESS

IV. The Election Campaign

10.1. Any enfranchised citizen may solicit signed nomination forms for a candidate, outline the election program, popularize the candidate, and organize election meetings (hereinafter all this jointly: campaigning).

Except if he has a residency permit, a person who is not a Hungarian citizen may not participate in the election campaign.

10.2. Except as specified in Paragraph 3, nomination forms may be solicited for a candidate anywhere, without accosting citizens.

10.3. Nomination forms may not be solicited:

a) during working hours or during the performance of duties stemming from employment;

b) from persons serving in the Armed Forces or Armed Corps, where they are posted or during the performance of their duties;

c) on public transportation; and

d) in the section of a health-care institution where patients are being treated.

10.4. Besides the nominating enfranchised citizen's signature, the nomination form must also contain the candidate's name, the citizen's permanent address, and the citizen's personal identification number.

10.5. It is prohibited to offer or demand value in return for the nomination form.

10.6. Upon request, the election committee verifies the authenticity of the signatures. Once the number of verified signatures reaches 750, verification of the remaining signatures does not have to continue.

10.7. The election meetings are open to the public. The prevention or disruption of an election meeting is prohibited. It is the duty of the meeting's organizer to ensure the maintenance of order, in accordance with the provisions of the Law on the Right of Association.

11.1. Under equal conditions and not later than the day before election day, the Hungarian Telegraph Agency, Hungarian Radio, and Hungarian Television will respectively publish, broadcast, and telecast, at least once and free of charge, the election appeals of the parties fielding candidates in the election. Within their reception areas, local studios have the same obligation regarding the candidates' election programs. An ad publicizing a candidate or a political party may be published, broadcast, and telecast only if it is identified as a "paid campaign ad."

11.2. In their coverage of election-related news during the 30 days preceding election day, Hungarian Radio and Hungarian Television will ensure equal conditions for the parties filing national lists, and will include them in the election reports commensurately with the number of candidates they are fielding.

11.3. On the last day of the election campaign, Hungarian Radio and Hungarian Television will respectively

broadcast and telecast—without comment, under identical programming conditions and providing equal time—the election summaries prepared by the parties filing national lists.

12.1. The results of public opinion polls on the outcome of the election must not be made public during the 8 days preceding election day.

12.2. Campaigning is prohibited from 00:00 of the day before election day.

13.1. From the day the election is called until the end of the election campaign, the parties and the candidates may produce without permission posters, ads, signs, and projected pictures (hereinafter jointly: posters). The poster qualifies as a published work that may be produced without permission. Otherwise the provisions of the Press Law apply to posters.

13.2. Posters may be displayed anywhere, except as specified in Paragraphs 3-5.

13.3. Permission of the owner or caretaker is necessary to attach a poster to the wall of a building or a fence.

13.4. For reasons of preserving historical monuments, protecting the environment, maintaining the appearance of the town or village, and promoting tourism, the local council may prohibit by ordinance the displaying of posters on public buildings or in certain parts of publicly owned land.

13.5. The regulations governing the use of publicly owned land apply to erecting separate billboards on such land, for the duration of the election campaign.

13.6. Posters must be displayed in a way such that they can be removed without causing damage.

13.7. The police are obliged to remove posters that pose a threat to life, limb, property, or traffic safety.

V. Voting

14.1. The enfranchised citizen may vote only in person, and, unless the present law makes exceptions, only at the polling place designated for his place of residence.

14.2. To enable the person to vote whose movement is restricted by his state of health, at least two members of the returning board will visit him upon his request.

15.1. The polls are open from 06:00 until 18:00 on election day. If the local conditions so warrant, the election committee may order that the polls open at 05:00. And the returning board may order that the polls be kept open until 20:00.

15.2. The polling place may not be locked, and voting may not be suspended, during the hours that the polls are open.

16.1. The polling place may not be located in a building that is in the exclusive use of some party.

16.2. To ensure secret balloting, at least two voting booths must be installed in every polling place. Secret balloting must be maintained even when voting pursuant to Section 14, Paragraph 2.

16.3. In every polling place there must be two or more ballot boxes into which the ballots are cast. In the presence of the first voter, the ballot boxes must be locked and sealed in such a way that ballots cannot be removed from any of the boxes, without opening the lock, breaking the seal or taking the box apart.

16.4. Pens must be placed in the voting booths for marking the ballots.

17.1. Once the election records and forms are in place, no one other than the members of the returning board may be present in the polling place until the polls open.

17.2. Before the commencement of voting and in the presence of the first voter, who may not be a member of the returning board, the board inspects the state of the ballot boxes. The result of the inspection must be entered in the polling place's book of minutes.

17.3. When the ballot box has been locked and sealed, the returning board will cast a control card in the box. The control card contains the signatures of the returning board members who were present and of the first voter as well, and also the time when the control card was cast.

18.1. The chairman of the returning board is responsible for maintaining order in and around the polling place on election day. The measures he takes to maintain order are binding for everyone.

18.2. The policeman on duty may enter the polling place only with the permission of the returning board's chairman.

18.3. Voters may remain in the polling place only as long as it takes to cast their ballots.

19.1. There is a separate ballot to vote for a candidate of the single-member district, and another ballot to vote for a regional list.

19.2. The voter must use only the official ballots to vote.

19.3. The single-member election district's ballot contains the names of the candidates in alphabetic order, together with the name of the party that nominated each candidate, or it notes that the candidate is running as an independent.

19.4. The ballot for a regional list contains the names of the lists, in the sequence that the regional election committee determines by lot; and the names of each party's candidates, in the sequence that the party filed them; and possibly notations as to which lists have been combined.

20.1. Valid ballots may be cast only for a candidate in the single-member election district and for a list on the

ballot, by marking with a cross the box next to the candidate's name and the party's name respectively.

20.2. The validity of a ballot that meets the conditions stated in Paragraph 1 is not affected if on the ballot the sequence of the candidates within a list has been changed, a name has been crossed out on a list, or a new name has been added to a list.

20.3. The vote is invalid:

a) if it was cast on a ballot other than the official ballot, or

b) if it is impossible to determine from the ballot which candidate or which party the voter voted for.

21.1. Only the voter included in the register of voters, or added to it subsequently, may vote at the polling place.

21.2. The returning board establishes the voter's identity and checks whether he is in the register of voters.

21.3. The returning board turns away the voter who is unable to present suitable proof of his identity, or who cannot be added to the register because he lacks a certificate pursuant to Section 40. The returning board prepares a list of such persons. Before the polls close, the turned-away voters may also vote if they suitably identify themselves or present the required certificate to the returning board.

21.4. If there is no obstacle to voting, a member of the returning board gives the voter his ballots and stamps them with the stamp of the council in question. If necessary, the member of the returning board will explain to the voter the method of balloting; the explanation may not include electioneering for or against any candidate.

22.1. The voter enters the voting booth where he marks his ballots and places them in an envelope; then, before the returning board, he drops the envelope in the ballot box.

22.2. Only the voter may be in the voting booth when he marks his ballots. But the voter who is illiterate, or who is prevented from voting by a physical disability or for some other reason, may request the help of another voter; and if another voter is not available, then the help of two members of the returning board.

22.3. The returning board notes in the register of voters that the voter has voted.

23.1. The chairman of the returning board orders the polling place closed at 18:00, or at 20:00 if the polling was extended. The voters already in the polling place or its entrance hall may still vote. Thereafter the returning board declares the balloting closed.

23.2. No ballots may be accepted once the balloting has been declared closed.

24.1. After declaring the balloting closed, the returning board first bundles the unused ballots and seals the bundle.

24.2. Before opening a ballot box, the integrity of its seal must be ascertained. Then the ballot box must be opened, and the control card in it found.

24.3. Next, the number of single-member district ballots and regional-list ballots must be checked separately against the number of voters who voted in the precinct.

24.4. Thereafter the invalid ballots must be placed in separate piles and counted. The reason why a ballot is invalid must be entered on its reverse side. The invalid ballots must be bundled in separate bundles, and the bundles must be sealed in such a way that ballots can neither be removed from, nor added to a bundle without breaking the seal. The serial number of the precinct and the number of ballots must be written on the bundles.

24.5. The valid ballots must be sorted separately by candidates and lists, and then counted. Thereafter the ballots must be bundled as prescribed in Paragraph 4.

25.1. The returning board keeps separate minutes of counting the ballots cast for the regional lists and for the candidates of the single-member election district respectively.

25.2. Two more copies of the minutes must be prepared than there are candidates running in the single-member district and parties filing regional lists respectively.

25.3. The chairman of the returning board sends without delay the originals of the minutes to the single-member district's election committee and to the regional district's election committee respectively. Thirty days after election day, the first copies of the minutes must be sent to the appropriate archives. The other copies of the minutes must be presented to the single-member districts' candidates and to the delegates of the parties that filed regional lists, respectively. The election records, forms, and ballots, together with the ballot boxes, must be delivered to the local council, for safekeeping. If a protest has been filed, the election records and ballots in question must be sent on to the election committee concerned.

25.4. The election committees of the single-member district and the regional district, respectively, total the votes on the basis of the returning boards' minutes and determine the outcome of the election in their districts. Each election committee records this in its own minutes and prepares two more copies of the minutes than there are candidates running in the single-member district and parties filing regional lists, respectively. The members of the election committee sign the minutes. The originals of the minutes must be sent immediately to the National Election Committee; the first copies must be sent after 30 days to the archives; the other copies must be presented immediately to the delegates of the parties and to the candidates, respectively.

25.5. From the minutes submitted by the election committees of the single-member and regional districts, the National Election Committee aggregates the fractional votes cast for the single-member districts' candidates and the regional lists, respectively, and determines on this basis which of the candidates on the national lists have won seats. The National Election Committee records this in its minutes, preparing one more copy of the minutes than there are parties filing national lists. The members of the committee sign the minutes. The original of the minutes is sent after 30 days to the archives. The copies are presented immediately to the parties' delegates.

25.6. During the first 3 working days after the election, the candidates or their delegates may examine the election records, in the presence of the election committee or local council concerned.

25.7. The ballots must be placed in safekeeping in the presence of the members of the electoral organ concerned and must be preserved for 90 days. If a protest is filed against the outcome of the election, the ballots in question must be preserved at least until the final disposition of the case.

25.8. The National Election Committee provides for the safekeeping of the election's computer data, for 90 days.

VI. The Electoral Bodies

26. The electoral bodies are the enfranchised citizens' independent organizations that are subject only to the law; their primary task is to ensure the fairness of the elections, to enforce impartiality, to oversee legality and, when necessary, to restore the legal order of the elections.

27. The electoral bodies are the returning boards, the election committees of the single-member and regional districts, and the National Election Committee.

28.1. Only enfranchised citizens maintaining their permanent residence in the election district may be members of the electoral body.

28.2. A member of any party fielding a candidate in the election district and an independent candidate's delegate can be neither chairman nor secretary of the electoral body.

28.3. A candidate, the speaker of the National Assembly, the council chairman, the secretary of the council's executive committee, and the member of the working group attached to the electoral body cannot be members of the electoral body.

28.4. During its term of office the electoral body qualifies as a public authority; and its member, as a public official.

29.1. The electoral body takes its actions collectively. It has a quorum when a majority of its members are present, and it adopts its resolutions by a majority vote of the members present. In the case of a tie vote, the

chairman's vote decides. The minority opinion, together with its arguments, must also be recorded in the minutes.

29.2. The chairman acts for the electoral body. If the electoral body does not have a chairman, or if he is unavailable, the electoral body's secretary assumes the chairman's duties.

30.1. The local council elects the secretary and two members of the returning board. With due consideration for the parties' recommendations, the secretary of the council's executive committee introduces the motion nominating them for election. The parties fielding candidates in the election district and the independent candidates each delegate one member to the returning board. The parties and the independent candidates may also agree on joint delegates. If there are fewer than two delegated members when the filing of nominations has ended, the council elects additional members to round out the returning board to five members.

30.2. The Budapest Municipal Council or the county council elects the secretary and two members of the election committee in a single-member or regional district. With due consideration for the parties' recommendations, the secretary of the council's executive committee introduces the motion nominating them for election. The parties fielding candidates in the single-member or regional election district and the independent candidates each delegate one member to the election committee. If there are fewer than two delegated members when the filing of nominations has ended, the council elects additional members to round out the election committee to five members.

30.3. The National Assembly elects the secretary and four members of the National Committee. With due consideration for the parties' recommendations, the minister of the interior introduces the motion nominating them for election. The parties filing national lists delegate one member each. If there are fewer than four delegated members when the filing of nominations has ended, the National Assembly—or, under delegated authority, its Legal, Administrative, and Judicial Committee—elects additional members to round out the National Election Committee to nine members.

30.4. The election committees' elective members must be elected within 10 days after calling an election; and the elective members of the returning boards, at least 30 days before election day. The names of the electoral bodies' delegated members must be reported when the nominations (Section 6) are filed.

30.5. If the number of the electoral body's members reaches the number specified in 32.1, 33.1, and 34.1, respectively, then they elect an interim chairman from among themselves. On the 30th day before election day, the electoral body either confirms the chairman or elects a new one.

30.6. Before assuming their duties, the chairmen and members of the electoral bodies are sworn in before the

chairmen of the appropriate councils and the speaker of the National Assembly, respectively.

30.7. The names of the electoral bodies' chairmen and members, and the addresses of the electoral bodies' offices, must be announced locally in the customary manner and published in the official newspaper of the Budapest Municipal Council or the county council. The data of the National Election Committee must be published in MAGYAR KOZLONY.

30.8. The commissions of the electoral bodies' elected members, and of the National Election Committee's members delegated by the parties that have won seats in the National Assembly, ends the day the next general election is called.

30.9. The commission of an electoral body's chairman, secretary, or member ceases:

- a) when the statutory qualifications for his commission (28.1-28.3) cease;
- b) when he resigns;
- c) when his commission is revoked or he is dismissed; or
- d) upon his death.

31. The election committees of single-member districts and regional districts, and the National Election Committee are legal entities.

32.1. The returning board has at least five members.

32.2. The returning board:

- a) oversees the preparation of the polling place, organizes the balloting, and sees to it that the balloting is conducted in accordance with the law;
- b) decides the disputes that arise during balloting; and
- c) determines the outcome of the election in the precinct.

33.1. The election committees of single-member and regional districts have at least five members each.

33.2. The single-member district's election committee:

- a) issues an invitation for the nomination of candidates;
- b) registers the candidates or rejects the nominations that do not meet the statutory conditions;
- c) decides the protests over nomination forms and votes based on certificates issued to voters changing the place of their permanent residence, and to absentee voters;
- d) makes public the names of the candidates in the district and the parties fielding the candidates, or notes that the candidates are running as independents;
- e) ensures the statutory conditions for the functioning of the returning boards and inspects their technical conditions;

- f) determines the outcome of the election in the district;
- g) decides on the protests against the actions of the returning board;
- h) issues the deputy his mandate; and
- i) organizes the byelection and announces its outcome.

33.3. The regional district's election committee:

- a) performs, in conjunction with the regional-list elections, the tasks specified in Paragraph 2, with the exception of the tasks under Items c and e; and
- b) chooses by lot the serial numbers of the party lists.

34.1. The National Election Committee has at least nine members.

34.2. The National Election Committee:

- a) provides the statutory conditions for the functioning of the electoral bodies;
- b) issues an invitation for filing the names of candidates;
- c) registers the candidates on the national lists and rejects the nominations that do not meet the statutory conditions;
- d) x makes public the names of the candidates on the national lists and chooses by lot the serial numbers of the national lists;
- e) determines, on the basis of aggregating nationally the fractional votes, which of the candidates on the national lists have won seats;
- f) issues the mandates to the deputies who have won seats on the national lists;
- g) publishes the preliminary and the final results of the election of deputies;
- h) sets the dates of the second round of balloting and of the byelection;
- i) decides the protests against the decisions of the election committees; and
- j) submits a report to the National Assembly on the election of deputies.

35.1. A working group is attached to each electoral body to prepare the elections organizationally, administratively, and technically.

35.2. The members of the working group attached to the returning board are appointed by the secretary of the local council's executive committee; those of the working groups attached to election committees of the single-member and regional districts are appointed by the secretary of the Budapest Municipal Council's or county council's executive committee; and the members of the working group attached to the National Election Committee are appointed by the minister of the interior. The

members of the working groups are sworn in before the official who appointed them.

35.3. The electoral body confirms the commissions of the members of its working group.

VII. Precincts

36.1. Precincts must be drawn within 10 days from the day an election is called.

36.2. The local council's executive committee determines the number of precincts and their boundaries, in such a way that there will be between 600 and 1000 enfranchised citizens per precinct, but with at least one precinct per village. If there are several precincts within a settlement, they are assigned serial numbers. At the request of patients permanently confined to nursing homes or medical institutions, of recruits serving in the Armed Forces, and of prisoners being held without a final sentence, a precinct may be formed inside the institution, so as to facilitate absentee voting (Section 40).

VIII. Voter Registration

37.1. Within 25 days from the day an election is called, the State Population Registry compiles registers of voters for the single-member election districts, in a breakdown by precincts, and sends the registers of voters to the local councils, together with lists of the adults who are not entitled to vote.

37.2. The register of voters must include those Hungarian citizens who reside permanently in the election district, are 18 or older, or will have turned 18 on election day at the latest, or have gained adulthood by marriage.

37.3. The register of voters must be compiled so as to make it suitable for identifying the election district, the precinct, and the voter. The secretary of the local council's executive committee certifies the register of voters.

37.4. Sixty days before election day the local election committee publishes an announcement regarding the date of the election and the register of voters.

37.5. The register of voters must be displayed for public inspection in the council's premises during 10 days, the dates of which are announced in the manner that is customary locally.

37.6. Parallel with displaying the register of voters for public inspection, the voters must be informed by mail that they are included in the register, indicating their election district and precinct, the location of their polling place, and the date of the election.

38.1. During the period that the register of voters is open for public inspection (37.5 and 39.3), voters may file protests with the secretary of the local council's executive committee against exclusions from, or inclusions in, the register of voters.

38.2. The protest that is considered unfounded must be transferred, not later than the day after it was filed, to the court at the county seat or, in Budapest, to the Pest Central District Court.

38.3. The court will review the protest within 3 days of its receipt, in extrajudicial proceedings but with the participation of lay jurors. Before handing down its decision, the court must grant a hearing to the person concerned, if he so requests. If the court finds that the protest was justified, it orders that the register of voters be amended; otherwise the court rejects the protest. There is no further appeal from the court's decision.

38.4. The court informs the secretary of the local council's executive committee, and the person filing the protest, of its decision the day it is handed down. If the court orders the deletion of a voter's name from the register, he too must be informed of the court's decision.

39.1. The secretary of the local council's executive committee adds to the register of voters the name of the voter who has been left out. The notice pursuant to 37.6 must be sent also to the voter whose name has been added to the register of voters.

39.2. The secretary of the local council executive committee deletes from the register of voters the name of the voter who has since died, who has lost his right to vote, who is already included in the register of voters in another election district, or who will be voting in another election district on the basis of a certificate.

39.3. Fifteen days before election day, the amended register of voters must be displayed for public inspection in the council's premises for 6 days.

40.1. If the voter changes his permanent residence after the register of voters has been compiled, he may ask the secretary of the local council's executive committee at his new permanent residence, or the returning board on the election day, that his name be added to the register of voters. To his request he must attach a certificate from the secretary of the local council's executive committee at his former permanent residence to the effect that his name was included there in the register of voters.

40.2. On the basis of a certificate issued by the secretary of the local council's executive committee at the place of the voter's permanent residence, the voter who will be absent from the place of his permanent residence on election day may request the secretary of the local council's executive committee at the place of his temporary residence, or at the place where he is staying temporarily, or on election day the returning board, that his name be added to the register of voters.

40.3. On the basis of a certificate pursuant to 40.2, the voter may vote for the regional election district's candidates. He may vote for the candidates of the single-member election district only if the place of his temporary residence (or the place where he is staying

temporarily) and the place of his permanent residence are in the same single-member election district.

40.4. When issuing a certificate pursuant to 40.1 and 40.2, the secretary of the local council's executive committee deletes the voter from the register of voters. The certificate must show, on the basis of the voter's statement, the place of residence or place of stay where the voter intends to vote, and this information must also be noted in the register of voters. The voter must attest with his signature that he received the certificate. Upon the presentation of this certificate and the voter's personal identification card, the secretary of the local council's executive committee at the place of the voter's new permanent residence, temporary residence, or place of stay, or the returning board on election day, enters the voter's name in a separate register. The certificate must be preserved with the other election records.

40.5. Certificates may be issued up to 16:00 on election day.

IX. Openness of the Electoral Process

41.1. The operations and actions of the electoral bodies are open to public scrutiny. The data and information available to the electoral bodies cannot be classified as secret. Computer printouts of the election results must be made available under equal conditions to the independent candidates and the parties fielding candidates in the election.

41.2. The election committee issues announcements to the press and the local studio operating in the given election district, about calling the election, the candidates, the displaying of the register of voters for public inspection, the division of the election districts and precincts, the names of the electoral bodies' members, the date of the election, the method of balloting, the election results, and possibly about declaring the election results null and void.

41.3. It is the duty of the electoral organs to ensure that the voters receive general information about the provisions of the Electoral Law and the method of balloting, as well as answers to their questions.

41.4. Members of the press may be present without special permission at the work of the electoral bodies, but their presence must not disturb the work of the electoral bodies, especially not the counting of the ballots.

41.5. It is prohibited to make partial election results public before 20:00 on election day.

41.6. The media must make public what state and other funds and budgetary grants the individual candidates and parties had at their disposal to finance the election, and how these resources were spent, including their national totals.

X. Judicial Legal Recourse

42.1. The interested enfranchised citizen, the candidates, and the political parties may file a protest against the electoral body's action, measures, or omission that violates the law.

42.2. The appropriate election committee decides within 3 days on the protest filed against decisions that are within the competence of the returning board (Section 32, Paragraph 2). The National Election Committee decides within 3 days on the protest filed against an election committee's decision, except the decision in the case of 33.2, Item g.

43.1. The decision of the election committee rejecting a protest may be appealed to the Budapest or the county court.

43.2. The National Election Committee's decision rejecting a protest may be appealed to the Supreme Court.

44.1. The appeal from the rejecting decision of the election committee may be filed with that committee, within 3 days from the day the decision was announced. The election committee transfers the files of the case, together with its own reasoned standpoint, to the court of jurisdiction not later than the day after the filing of the appeal. A bench of three professional judges decides the appeal within 3 days, in extrajudicial proceedings. Upon their request, the interested person must be granted a hearing.

44.2. If the court finds the appeal well founded, it establishes that the law has been violated and acts to end the violation. If the violation meaningfully affected the outcome of the election, the court declares the decision or measure adopted in the electoral process null and void, and orders that the election or its affected part be repeated.

44.3. The court rejects the appeal that is unfounded.

44.4. The court informs the election committee, the interested person, and the appellant of its decision the same day that the decision is brought. There is no room for further appeal from the court's decision.

45. The proceedings instituted on the basis of this chapter do not affect proceedings under Section 38, nor criminal proceedings for a crime against the order of the election (Criminal Code, Section 211).

XI. Byelections

46.1. A byelection must be held:

a) in the single-member election district, if the second round of balloting was also invalid, or if the mandate of the single-member district's deputy ceased;

b) in the regional election district, if the second round of balloting was also invalid; and

c) in the single-member or regional election district, if the election could not be held because no candidate was nominated or no list was filed.

46.2. On the recommendation of the appropriate election committee, the National Election Committee schedules the byelection within 1 month of the date when the reason for holding the byelection arose. The byelection must be held within 3 months from the day on which the scheduling of the byelection is announced.

46.3. Except where the present chapter provides otherwise, the rules governing general elections apply as appropriate to the byelection.

46.4. The outcome of the byelection does not affect the seats won on the national lists.

46.5. When the mandate of the deputy who won his seat on a regional or a national list ceases, his seat goes to the party candidate whom the party designates from among the candidates originally on the list. Within 30 days from the day when the cause of the mandate's cessation arose, the party must submit to the appropriate election committee the name of the new deputy.

(Note: A consensus was reached on the wording of 46.5 in the policy reconciliation talks. It might be suggested that the party be bound by the original sequence of candidates on its list when filling a vacant seat from the list. In this sense the sequence of the candidates would be binding on the parties. But this solution would limit the parties' scope for maneuvering: They would not be able to respond flexibly to the changes taking place between the general election and the time when the seat became vacant.)

XII. Final Provisions

47.1. Once the candidate has been registered (6.4), he may not be called up for military service as a conscript, nor recalled for service as a reservist. If already serving, the candidate's military service must be interrupted until the day after election day. The elected deputy is exempt from military service for the duration of his mandate.

47.2. From the time of his registration until the day after election day, the candidate may use public means of transportation free of charge.

48.1. Within 24 hours after the polls close, the National Election Committee makes the preliminary election results public, through Hungarian Radio, Hungarian Television, and the Hungarian Telegraph Agency. Which means that the national political dailies will be able to report the preliminary results in their next issues.

48.2. The final results of the election must be published in MAGYAR KOZLONY.

49. The election must be called 90 days before election day at the latest.

(Note: Sixty days are sufficient to conduct a general election in its entirety, and 30 days are sufficient for the technical preparations.)

50.1. The costs of the state tasks in conjunction with preparing and conducting elections (the costs of providing the physical plant and personnel, of the electoral bodies' operation, of compiling the registers of voters, of printing ballots and forms, of transport and telecommunications, and other costs) must be paid from the state budget, up to the limit specified by the National Assembly. The Office of the Auditor General will report to the National Assembly on such spending.

(Note: Until the Office of the Auditor General has been established, the National Assembly's Planning and Budget Committee will be performing this task.)

50.2. The Council of Ministers is hereby authorized to assign the serial numbers of the single-member and regional election districts, and to designate their centers and draw their areas.

51.1. The Law on the Operation and Management of Parties, as supplemented by the provisions of 51.2, regulates the parties' election spending.

51.2. Each party that fields candidates in the elections is entitled to a grant from the state budget, commensurately with the number of its candidates. The independent candidates are entitled to the same grants as the party candidates. The National Assembly sets the national total allocation for such grants.

51.3. Determination of the amount of the grant per candidate must be based on the following: the number of candidates in the single-member election district; the number of candidates on the regional list by parties, but at most the same number of candidates as there are seats to be won in the district; and the actual number of candidates on the national list, but at most 70 candidates per party. The candidates with multiple nominations (5.7) must be taken into account with due consideration for the number of nominations.

51.4. On the order of the National Election Committee, the Ministry of Finance (or the bank that it designates) disburses the budgetary grants that can be spent on the election, in one sum to each party, and per person to the independent candidates.

51.5. The budgetary grant pursuant to 51.2 may be spent only on material expenditures. Within 30 days after the election, the parties and the independent candidates must render to the disburser an account of how the budgetary grants were spent.

51.6. State budgetary organizations may make premises and the necessary furnishings available for the election campaign, under equal conditions.

52. The supplements to this law contain:

a) the principles for drawing the election districts;

b) the number of single-member election districts by counties and Budapest, and the number of seats that can be won in each regional election district;

c) the number of single-member district nominations required to file a regional list;

d) the method of computation for aggregating the votes and determining the results of the election;

e) samples of the ballots;

f) samples of the nomination form, certificates and control card;

g) the contents of the minutes recording the results in a polling place, a single-member district, and a regional district, respectively;

h) the contents of the minutes recording the national aggregation of fractional votes;

i) the content of the election's preliminary national results;

j) the text of the oath (or pledge) administered to members of the electoral bodies and of their working groups; and

k) the principles for the organization and operation of the computer network and data-processing system supporting the conduct of the election.

53.1. It is the duty of the interior minister to organize and technically implement the state tasks in conjunction with elections, to oversee the activity of the working groups attached to the electoral bodies, and to manage the computerized system for aggregating the votes. The interior minister reports to the National Assembly on these activities.

53.2. The minister of the interior identifies as calendar dates the time limits and deadlines that the present law sets, and these calendar dates must be published in the press.

54. The electoral, administrative, and court proceedings involving the election, the right to vote, or the right of candidature are exempt from stamp duty.

55. Section 3, Item a, of Law No III/1989 on the Right of Assembly is hereby amended to read as follow:

(Section 3. The provisions of the present law do not apply) "a. Sections 12 and 13 excepted, to meetings in conjunction with the election of deputies to the National Assembly and of council members, and to meetings at which the deputies and council members report to their constituents;"

56.1. The present law becomes effective on....

56.2. When this law becomes effective, the provisions regarding deputies of the National Assembly in Law No III/1983 on Electing Deputies to the National Assembly

and Council Member, as modified and amended by Law No XI/1989, will simultaneously be rescinded.

GENERAL EXPOSITION

The experience drawn from the more than 1,000-year history of our statehood is that the Hungarian people have always sincerely demanded the right to direct and shape their own fortune, and the responsibility for doing so. After centuries of being imbued with the ideas of freedom and with aspirations to independence, at the end of the 20th century that has sorely tried man and nations, we finally have another opportunity to create a law-governed constitutional state that will conform to the European concepts of freedom.

Definition of the right to vote and of representation is the politically most sensitive issue in constitutional law. The exercising of the right to vote, as a fundamental political right to which every citizen is entitled, is also the means of constituting a representative body. The provisions of an Electoral Law that determines the method of creating electoral bodies cannot be crafted arbitrarily. These norms must be linked organically to the given social conditions and must guarantee the political forces' real representation. Together with direct democracy's fundamental institutions (the referendum, popular initiative, etc.)—these have been neglected unfairly up to now, but will certainly be used reasonably and with moderation in the future, on a statutory basis—the functioning of representative bodies, periodically elected and renewed through the will of the people, is undoubtedly the basis of stable government. This is a characteristic common to all modern, democratic, law-governed states.

At the present stage of our society's development it is necessary to develop a system of political representation under which the various political parties' influence and policymaking power increase, parallel with the suitability, credibility, and reliability of the players.

The proposed new Electoral Law is not simple, because it adapts to our transitional and shaping social and political conditions. The draft law offers a mixed electoral system that strives for proportional representation. Under this system, 152 deputies are elected in single-member election districts; the parties can win another 152 seats on the regional (county) lists; and 70 more seats are filled from national lists that compensate for the disproportions. The draft law breaks with the present mechanism and institutions for nominating candidates. It discards the earlier restrictions and regulates in a novel way the statutory conditions for nomination.

The rules governing the electoral process provide guarantees for the freedom and fairness of the elections. In terms of openness, free electioneering and recourse to the court for legal remedy, the draft law will stand comparison with any electoral law. The draft law guarantees rights for citizens, for state organs, for the organizations conducting the elections, and for the mass media, however, it mainly sets mainly obligations, specifically in the interest of enforcing the citizens' rights.

EXPOSITION ON SPECIFIC PROVISIONS

Re 1. The draft law retains the traditional democratic basic principles of elections: The right to vote is general and equal, and voting is by ballot.

Re 2. The draft law defines more narrowly than in the past the circle of persons who do not have the right to vote. One of the guarantees in the draft law is that a person can be disenfranchised only as specified by law, on the basis of a court sentence.

In a departure from the provisions now in force, the draft law also contains the qualifications required for the right of candidacy. Anyone who has the right to vote and maintains his permanent residence in Hungary also has the right of candidacy.

A new element in the draft law is that it regards as hindered from voting the Hungarian citizens who are abroad on election day or do not have a permanent residence in Hungary. The reason for introducing this new institution is that the draft law guarantees the right to vote as a basic political right to which every citizen is entitled, and it merely regards as hindered from exercising their right to vote the persons who are staying abroad for any length of time.

Re 3. The draft law states the basic principle that the enfranchised citizen is free to decide whether he wishes to exercise his right to vote. This mode of regulation enables the citizen to claim his absolute right to vote, without any legal obligation on his part to exercise that right.

Re 4. International experience shows that the procedures for multiparty elections can be devised in many ways. There are numerous examples of electoral systems with only lists, with only single-member districts, or with combinations of both. In our country at present, it would be expedient to adopt a solution that combines lists—which presuppose parties—with single-member election districts and does not let a single vote become lost.

Accordingly, the draft law offers a combined election system under which different rules apply to electing deputies in the single-member and the regional (county, Budapest) election districts respectively. In the single-member election district, about 70,000 residents elect a deputy. In the regional election district it is possible to elect as many deputies as there are single-member districts in Budapest or the county. The enfranchised citizen has two votes and receives two ballots. He may cast one ballot for a candidate running in the single-member election district; and the other ballot, for the county (or Budapest) list of one of the parties. In the single-member election district, the candidate who wins gets the seat. In single-member and regional election districts, the votes that were cast for party candidates but did not win a seat for the candidate or the party list are aggregated nationally, and the remaining 70 seats are divided among the parties' national lists in proportion to the aggregated "fractional" votes.

Under the combined electoral system, the single-member election districts elect 152 deputies to the National Assembly, the regional election districts elect another 152, and 70 win seats on the national lists. There are in all 374 seats in the National Assembly.

All deputies have the same legal status, which is not affected by whether they have been elected in single-member election districts, regional election districts, or on national lists.

Re 5. The method of nominating candidates for National Assembly elections varies according to the differences outlined in 4. In a single-member election district the enfranchised citizens, and the voluntary organizations that meet the provisions of the Law on the Operation and Management of Parties, have the right to nominate candidates. Only an enfranchised citizen may be nominated. A further requirement is that at least 750 signed nomination forms must have been collected from enfranchised citizens residing in the election district. The candidate nominated by enfranchised citizens, or by voluntary organizations not organized as parties, runs as an independent.

The party that is fielding candidates in one-fourth of the single-member election districts, but in at least two, may nominate a list of candidates in the regional election district. This solution intends to prevent insignificant ad hoc organizations, without any base of support, from assuming a role in the public life of the capital or the county.

The parties that have filed lists in at least seven of the regional election districts may also nominate candidates on national lists.

The draft law allows the parties to nominate the same candidate simultaneously in one single-member election district, on two regional lists, and on one national list. This enables the parties to give the persons who are of special importance to them a better chance of winning seats.

Re 6. In line with the new system of nominating candidates, the draft law sets yet another condition for nomination, in addition to the two conditions mentioned earlier (signed nomination forms from supporters, and the fielding of a specified proportion of candidates): a signed statement from the candidate declaring that he is eligible to vote, that he accepts the nomination, and that he has no office incompatible with sitting in the National Assembly, or that he will resign such an office if elected. The Constitution lists these causes of incompatibility. The election committees must register without discretion every nominated candidate who meets the conditions. They may reject only the nominations that do not meet the conditions specified by this law.

Re 7.-9. Following the logic outlined in connection with nominations, the rules for determining the election results differ. A common rule is that a deputy can be elected to the National Assembly only if a specified proportion of the enfranchised citizens turn out to vote. A requirement for the validity of the first round of

balloting is a turnout of more than half of the enfranchised citizens. In the second round, as an expedient rule (because greater public interest attaches to filling the seat than to holding a third or fourth round of balloting), a turnout of even a quarter of the enfranchised citizens is sufficient. There may be as many as two rounds of balloting in a single-member district. To win the seat in the first round, a candidate must receive more than half of the valid votes cast. If there is no such candidate, the balloting was unsuccessful. The candidates who each received more than 15 percent of the valid votes in the first round may run in the second round. In the absence of at least three such candidates, the three candidates who received the most votes in the first round may run in the second round. The candidate with the most votes wins the seat in the second round.

The parties filing lists in a regional election district win seats in proportion to the number of votes they receive. As a function of the number of votes received, a party's candidates are allotted seats in the sequence they are nominated on the party's list. The exact method of computation, which takes both international experience and domestic traditions into consideration, is described in a supplement to this law. To enforce the majority principle, the draft law sets two barriers to winning seats on the lists. One barrier is that no seat can be won with less than two-thirds of the the number of votes required to win a seat in the given regional election district. The other barrier is that any party which fails to achieve 4 percent of the combined total vote cast for all the parties in the regional election district [as published] can win seats neither on its regional nor its national list. Here again the purpose of this solution is to exclude from decisionmaking the political forces that lack an actual base of support within society.

The voters do not vote for the national lists. Instead, the parties win seats on their national lists after the national aggregation of the fractional votes, based on the method of computation described in a supplement to the law.

Re 10. The draft law allows both the enfranchised citizens and the candidates wide scope for campaigning and electioneering. It prohibits the soliciting of signed nomination forms only where this would constitute unacceptable molestation (in the sections of health-care institutions where patients are being treated, on public transportation) or where undesirable influencing of the enfranchised citizen by his superiors must be prohibited by the force of the law (at the place of employment, in the armed forces).

Signatures for nomination must be solicited on the nomination form that is a part of the notice each enfranchised citizen receives of his inclusion in the register of voters. In case of doubt, the election committee verifies the authenticity of the signatures.

Enfranchised citizens and the parties may freely organize election meetings. The meetings are open to the public. It is the responsibility of the meeting's organizer to ensure that the meeting is orderly.

Re 11.-12. To provide equal opportunity for the parties taking part in the election, the draft law contains provisions regarding the participation of the mass media (Hungarian Radio, Hungarian Television, and the Hungarian Telegraph Agency) in the campaign.

To ensure, immediately before and during balloting, a peaceful climate that does not influence the voters in expressing their will freely, the draft law restricts making public the results of public opinion polls on the outcome of the election, and it also prohibits all campaigning from 00:00 on the day before election day.

Re 13. The draft law also contains provisions on the production of posters, bills, signs, and leaflets as a part of campaigning. Such propaganda material may be produced without any special permission. On displaying and affixing posters, the draft law contains only restrictions that safeguard public and private interests. For instance, permission from the owner or caretaker is necessary to attach a poster to the wall of a building or a fence.

The local council may specify by ordinance the public buildings and the parts of publicly owned land where election posters are prohibited, for reasons of preserving historical monuments, protecting the environment, maintaining the appearance of the town or village, and promoting tourism.

Re 14.-18. The detailed rules on the method of balloting remain essentially unchanged, but they are supplemented by provisions that reinforce the guarantees for the fairness of the elections. Such new provisions are: The polling place may not be located in a building that is in the exclusive use of some party; pens, rather than pencils, must be used to mark the ballots; and also the first voter is present when the ballot boxes are inspected.

Just as under the regulations now in force, the chairman of the returning board is responsible for maintaining order in and around the polling place on election day, and the policeman on duty may enter the polling place only with the chairman's permission.

Re 19. In accordance with the two-vote balloting system, there is a separate ballot to vote for a candidate of the single-member district, and another ballot to vote for a regional list.

Re 20. The method of balloting differs from the practice to date. The earlier negative balloting (the names of the undesired candidates had to be crossed out) is replaced by positive balloting: the ballots are marked with a cross in the box next to the candidate's name and the party's name respectively. It is possible to vote only for a candidate and a list on the ballots, by marking respectively the candidate and the list for which the voter wishes to cast his votes. The lists filed by the parties are closed lists, in the sense that the voter can vote only for the list as a whole. Therefore, if the ballot is otherwise valid (if the official ballot was used, and it is unambiguously clear for which party the ballot was cast), the fact

that the sequence of the candidates' names on the list was changed, and that names were added to or deleted from the list, must be disregarded. Such ballots must be considered valid votes for the party list.

Re 21.-25. The draft law has not changed the rules on balloting, the traditional regime of balloting that is well known to the population. The draft law merely introduces a few institutions intended to reinforce the openness of the elections to public scrutiny. For example, copies of the minutes recording the vote counts must be sent to the appropriate archives; and the ballots must be preserved until the end of possible court proceedings.

Re 26.-34. The formation and composition of the electoral bodies conform to the principle of multiparty elections. The delegate of each party fielding a candidate and of each independent candidate respectively is by law a member of the appropriate electoral body.

An electoral body's chairman and secretary represent impartiality, and neither may be the delegate of a party fielding a candidate in the given district or of an independent candidate. The National Assembly and the Budapest or county council elect specified numbers of members to the respective electoral bodies. The rights and duties of the electoral bodies' elected and delegated members are identical.

Re 35. A working group without decisionmaking authority supports the activities of each electoral body. These groups perform administrative, technical, and organizational tasks. The members of the working group take an oath to unconditionally uphold legality.

Re 36.-39. In comparison with the regulations now in force, there are no changes in drawing precincts.

The compilation of the registers of voters remains the task of the State Population Registry, as before.

The method of compiling the voter registers and displaying them for public inspection, and the rules on the legal remedies available to correct unlawful exclusions from, or inclusions in, the registers of voters remain unchanged.

Re 40. The draft law retains the possibility of voting on the basis of a certificate, but it also incorporates additional safeguards against possible abuses. The certificate must be preserved with the other election records so that in case of doubt—in court proceedings, for instance—there will be credible proof of the votes' validity.

Re 41. Openness plays a decisive role in ensuring the fairness of elections. Of fundamental importance, therefore, are the draft law's provisions that the operations and actions of the electoral bodies be open to public scrutiny, and that data and information available to the electoral bodies cannot be classified as secret.

The population must be informed of all facts and time limits that are of interest to the enfranchised citizens, and of all information about the elections that is of public interest.

Because members of the press do not require any special permission to cover the work of the electoral bodies, the draft law lifts the earlier restrictions.

There is one restriction on election day in the interest of preserving the openness and fairness of election: No partial election results may be made public before 20:00, i.e., as long as the polls can be kept open according to the provisions of this law.

Openness also means that the enfranchised citizens have a right to learn what funds the candidates and the parties had available for the election, and how those funds were spent. Therefore the media must publish such data.

Re 42.-45. The draft law's chapter on judicial legal recourse is of outstanding importance from the viewpoint of ensuring the legality of elections and safeguarding fundamental political rights.

The basic pattern of the system of legal remedies is as follows: The electoral bodies remedy the protested measures in the first instance, and there is appeal to the court from the decision of an electoral body rejecting a protest. The court's decision is final, and there is no room for further appeal.

Re 46. A byelection must be held in a single-member or regional election district if the second round of balloting is also invalid because the voter turnout failed to reach more than a quarter of the enfranchised citizens, or if the balloting could not be held because there was no candidate or list.

When a deputy's mandate ceases (the reasons for its cessation are listed in the Constitution), a byelection must be held only in a single-member election district. When a seat won on a party's regional or national list becomes vacant, the seat goes to the candidate whom the party designates from among the candidates originally on the list. The only restriction is that the designated candidate must have been originally on the list, but the sequence in which the candidates were nominated does not have to be taken into consideration.

Although there are also fractional votes in a byelection, its outcome does not affect the seats won on the national list.

Re 47. The temporary exemption from military service as a conscript or recalled reservist, and the free travel pass are intended to ensure the candidate's actual participation in the election campaign.

Re 48. On the basis of using computers for greater openness and to inform the public faster, the draft law distinguishes between the election's final results and its preliminary results as a new institution in the electoral

process. The preliminary results are published in the dailies; the final results also appear in *MAGYAR KOZLONY*.

Re 49. The Constitution contains the rules on scheduling elections, and the Electoral Law has to regulate only the duration of the electoral process. Its duration remains 90 days, the same as before.

Re 50.-51. The National Assembly approves the appropriation for financing the state tasks in conjunction with elections.

From the state budget it is necessary to cover on the one hand the state's expenditures, and on the other hand—in the interest of ensuring equal opportunity for the parties—the expenditures of the parties participating in the election campaign. The draft law sets as normative rules the conditions under which the parties may obtain budgetary grants: The parties receive budgetary grants in proportion to the number of candidates they are fielding. The independent candidates are entitled to budgetary grants equal to the grants for party candidates.

Re 53. In accordance with his altered role, the interior minister oversees the implementation of the state tasks in conjunction with preparing and conducting elections.

Re 54. The draft law retains the stamp-duty exemption of proceedings involving elections, the right to vote, or the right of candidacy.

Re 55. According to the Law on Legislation, all statutes must be in close harmony with one another in terms of both content and form. It is expedient to refer to the Law on the Right of Assembly for the rules governing the order of election meetings, and therefore the text of that law has to be amended.

Re 56. According to the draft law, the law will become effective the day of its promulgation. After promulgation, the provisions of Law No III/1983 will still apply to the election of council members.

Draft Law on Presidential Election Published

90EC0055B Budapest MAGYAR HIRLAP in Hungarian 16 Oct 89 pp 8-9

[Text of "Draft Law on Electing the President of the Republic"]

[Text] In accordance with Section 37, Paragraph 2, of Law No .../1989 on Amending the Constitution, the National Assembly hereby enacts the following law on the first presidential election.

1.1. Under the condition specified in 1.2, candidates for the presidency may be nominated by enfranchised citizens and those voluntary organizations that meet the provisions of the Law on the Operation and Management of Parties (hereinafter: parties). Two or more parties may also nominate a candidate jointly.

1.2. Nomination signatures from at least 50,000 enfranchised citizens are required for nomination. A supplement to the present law contains a sample of the nomination-signature sheet.

1.3. The nomination, together with the nomination signatures, must be filed with the National Election Committee.

1.4. To the nomination there must be attached a statement from the candidate declaring:

- a) that he is eligible to vote,
- b) that he accepts the nomination, and
- c) that he does not have any office which disqualifies him from the presidency, or that he will resign from such an office if elected.

1.5. The National Election Committee registers every nomination that meets the statutory requirements.

2.1. The candidate who in the first round of balloting receives more than half of the valid votes cast will become the president, provided that more than two-thirds of the enfranchised citizens turned out to vote.

2.2. A second round of balloting must be held if the turnout in the first round did not exceed two-thirds of the enfranchised citizens, or if it did exceed two-thirds of the enfranchised citizens but none of the candidates received more than half of the votes cast. Those candidates who each received at least 15 percent of the vote in the first round of balloting may run in the second round. The candidate who receives the most votes will be the president, provided that more than half of the enfranchised citizens turned out to vote.

2.3. If no president is elected in the second round either, the National Assembly calls a new election.

3. The ballot lists the names of the candidates in alphabetical order, together with the names of the parties nominating them, or it notes that the candidates are running as independents.

4. Absentee voters may also vote in the presidential election, on the basis of a certificate signed by the secretary of the council's executive committee at their place of permanent residence.

5.1. The regional election committee:

- a) decides on protests in conjunction with the preparations for the election or against the decisions of the returning board, and
- b) helps to aggregate the election results.

5.2. The National Election Committee determines the election results and presents the president of the republic his mandate.

6.1. With the exception of the departures specified in Sections 1-5 of the present law, the provisions of the Law

on the Election of Deputies to the National Assembly apply as appropriate to the presidential election.

6.2. For the presidential election, the National Assembly may set different time limits and deadlines than the ones specified in the Law on the Election of Deputies to the National Assembly.

6.3. The National Assembly schedules the presidential election.

7. The present law becomes effective the day of its promulgation.

Exposition

Re 1. The draft law enables spontaneously organized enfranchised citizens as well as parties to nominate candidates. The only statutory requirement it sets is the gathering of signatures from 50,000 supporters. In a departure from the nomination of candidates in elections to the National Assembly, the signatures must be gathered on nomination signature sheets.

The draft law does not specify who qualifies for election to the office of president. These qualifications are contained in part in the Constitution (the age limit) and in part in the Law on the Election of Deputies to the National Assembly (the general rules of eligibility). Thus, a person who has not turned 35 or does not have a permanent residence in Hungary cannot be elected president.

Re 2. To elect the president of the republic, the draft law specifies a larger voter turnout and a larger proportion of the vote than what are required in elections to the National Assembly. Considering the legitimate president's social importance, it is warranted to require greater backing for his election.

But these days, because of the president's stabilizing role, important interest is attached to the success of the presidential election. In case of an unsuccessful first round, therefore, the candidate who receives the most votes in the second round of balloting becomes the president, provided more than half of the enfranchised citizens turned out to vote.

Re 4. Because in the presidential election the entire country may be regarded as one election district, there are no territorial restrictions on absentee voting. The absentee voter may vote anywhere in the country on the basis of a certificate.

Re 5. In the presidential elections there are returning boards and election committees at the regional (county or Budapest) and national levels. Therefore it logically follows that the regional election committee performs the tasks that, in elections to the National Assembly, would fall within the scope of the single-member district's election committee.

Re 6. Statutory regulation adheres to the principle of including only the special provisions that apply solely to

the presidential election. Otherwise the provisions of the Law on the Election of Deputies to the National Assembly apply as appropriate.

The draft law authorizes the National Assembly to depart from the time limits that the Law on the Election of Deputies to the National Assembly specifies.

POLAND

POLITYKA Weekly News Roundup

90EP0076A Warsaw POLITYKA in Polish
No 38, 23 Sep 89 p 2

[Excerpts]

National News

The 15th PZPR CC Plenum has held deliberations. Wojciech Jaruzelski, in meeting with the new government, commented: "All patriotic and sociopolitical forces in Poland should offer their firm support to the government in the bold search for the best solutions. It would be unacceptable and completely amoral and ruinous to count on the new government's 'tripping itself up'. It would be equally unacceptable to expect the forces that ruled until now to be obliterated from the sociopolitical scene."

Mieczyslaw F. Rakowski said in a television address: "Likewise, the question arises: why do you get into the government at all? I will answer that. The party, 2 million members strong, with many millions of people associated with it through descent, profession or family ties, with the strength of its cadres in the state, the military, the economy and science and with its intellectual potential is obliged to support this government." [passage omitted]

Leszek Miller, member of the party leadership, was asked at a meeting with the Skierniewice party aktiv about the statement made by OKP [National Peace Committee] head Prof Bronislaw Geremek on the subject of the unification of Germany: "Prof Geremek essentially stated that he is in favor of a united Germany, at least that is how it sounded in the BILD AM SONNTAG. Such a view from the lips of an influential Polish politician must be overwhelming. A united Germany would bring about a real weakening in the balance of power in Europe. On behalf of our national interests, we must oppose such statements. More than once, Solidarity political leaders have been quite imprudent in speaking out on international affairs. For example, they support uncritically certain movements in the Baltic republics and in the Ukraine, as if they did not know that their nationalistic arrow is aimed not only at the Russians but at the Poles as well." [passage omitted]

The Extraordinary Commission for Studying MSW [Ministry of Internal Affairs] Activity has begun its work. Several hundred matters have already come before the commission, and its chairman, OKP [National Peace

Committee] deputy Jan M. Rokita, has proposed that it be divided into groups that will receive the help of experts to study the records. A team for cooperating with the commission headed by Deputy Minister Gen Lucjan Czubinski has arisen at the MSW. Deputy Tadeusz Kowalczyk, who made the charge in the Sejm that MSW officials are guilty of 100 political murders, was then called by Minister Kiszczak to present suitable evidence and presented a list of 93 fatal accidents (from December 1981 until 15 July 1989) that occurred "as a result of the repressive actions of law-and-order forces" or "in unexplained circumstances." [passage omitted]

Fifty-four militia officers sent a letter to T. Mazowiecki expressing their support and recommending ways to correct the "present unfavorable situation in the ministry." Included among their requests: separating the MO [Citizens' Militia] from the Security Service [SB], reorganizing the ZOMO [Motorized Reserve of the Citizens' Militia] detachments and transferring the permanent positions that have been taken over since 1975 by the SB to the militia. Those signing the list are demanding the total depoliticization of the militia and the opening of an MO Independent Trade Union. Seventy militia officers from Piekary Slaskie directed an open letter (published in GAZETA WYBORCZA) to Minister Czeslaw Kiszczak. They offered their congratulations to the head of the ministry on his new position: "Dear General, in making our decision to withdraw from the ranks of the PZPR, we were acting in accordance with your declaration to depoliticize the MSW."

With regard to the OPZZ [Trade Unions] position on the Sejm's expose of the premier, the union members expressed their satisfaction with the government election and wished it success. They consider the positive elements of the expose to be declarations on: the effective battle against inflation, guaranteeing a suitable pension, the breakthrough in housing construction, the improvement in health and environmental protection, the solution of critical problems in the health service, in education and science and the real equalizing of all sectors of the economy. The unionists are disturbed by such dangers as: unemployment, the substantial drop in the living standard, the further decline in production and the privatization of national property.

MSZ [Ministry of Foreign Affairs] Director General B. Miernik summoned the charge d'affaires of Romania and informed him about an incident on the Hungarian-Romanian border in Episcopia-Bihor, where the officers of the Romanian border guard beat Polish tourists. He filed a protest on the matter. The Polish side is waiting for the perpetrators to be brought to justice and is reserving for itself the right of redress.

The PPR Association of Journalists, in conjunction with the Sejm's expose of the premier and the issue of censorship: "We favor not its speedy limitation, but its total elimination. Our organization has presented this position for a long time."

Who's Who News. Gen Michal Janiszewski, age 63, was appointed by the PRL president to be the head of the president's office (he was formerly the head of the Office of the Council of Ministers). Jerzy Kolodziejski, age 56, professor of technical sciences, Gdansk voivode from 1979-82 (a position he resigned) and recently a research worker at Gdansk Polytechnical School, was appointed by T. Mazowiecki to the position of secretary of state in the Office of the Council of Ministers. Malgorzata Niezabitowska, TYGODNIK SOLIDARNOSC journalist, became government spokesperson. Changes were made in PZPR KW [Voivodship Committee] first secretary positions. In Bydgoszcz, Zenon Zmudzinski resigned and Janusz Zemke, age 40, doctor of political sciences, deputy director of the PZPR CC party work department, deputy from Bydgoszcz, was elected. In Torun, Zenon Draminski resigned his first secretary position and Zenon Piatkowski, formerly first secretary of the Municipal Committee, was elected after two rounds of voting. Z. Draminski attributed his resignation to the need to give young, resilient people a field of action, while he is already entitled to a pension. [passage omitted]

The weekly RONDO announced that it is being turned into a stock company with initial capital of 400 million zlotys. The value of one share is 10,000 zlotys. The publication promises an annual profit of 62 million zlotys and projects another 600 million zlotys from extra work and dividends higher than at the PKO. At present RONDO has a huge deficit and is partly supported by POLITYKA's earnings.

On the Left

Mikhail Gorbachev met with the leaders of Lithuania, Latvia and Estonia. "There are likewise three principles from which there is no departing: the solution to all problems lies only within the framework of the federation, jointly; party unity must be preserved, and; equal rights for the citizens of all nationalities. Any attempts to restrict the rights of citizens based on the nationalities key should be regarded as conflicting with the principles of Soviet statehood and humanism," said Gorbachev. [passage omitted]

During the first half-year, 8.9 billion rubles were issued according to IZVESTIA. During this period, deposits in the Savings Bank increased by 17.7 billion rubles, for a total of 314 billion rubles. Every one of these rubles saved covers only 27 kopeks in merchandise (in 1985 the figure was 44 kopeks).

According to Reuter's, "Every day hundreds of ethnic Turks, who began their search for a new life in Turkey and in the West less than a few months ago, return to Bulgaria." According to the minister of state in the Turkish government, of the 314,000 persons who went to Turkey between June and 22 August (when the border was closed), over 11,000 have returned to Bulgaria.

PRAVDA has published several articles critical of the work of the Lithuanian Sajudis. In one of these articles it sharply polemicalizes with the chairman, Prof Witautas Landsbergis, expressing its disagreement with Landsbergis' statement

(given in an interview for Voice of America) that "Moscow has embarked upon a broad campaign against the peoples of the Baltic republics, the goal of which is intimidation and, perhaps, to lay a foundation for eliminating nationalities movements." These charges are absolutely unfounded, maintains the paper.

At the founding congress of the Ukrainian People's Movement, many speakers called for replacing the head of the Ukrainian party organization, Vladimir Shcherbicky, claiming that he is responsible for the Chernobyl catastrophe. "It is time that the Ukraine broke away from the conservative reputation it has had until now. We do not want it to be considered as a fatherland of stagnation. No, the Ukraine favors rebuilding," said one of them. Poet Sergei Konev was chosen chairman of the movement.

Romania has called for military intervention in Poland. According to SPIEGEL, Nicolae Ceausescu, in a letter to the Warsaw Pact Political Council, called for a year's intervention in Poland to save socialism. In the opinion of the Hamburg weekly, the leader's proposal did not find a single supporter. [passage omitted]

The Soviet Baltic republics have announced closer economic cooperation, with the goal of opening a common market by 1993. This decision was made during a meeting of the representatives of the authorities of the republics and the leaders of people's fronts in Panevezys, Lithuania.

Opinions

Boguslaw Fidyk, chairman of the Solidarity plant organization at the Poltex plant in Lodz:

(Interviewed by A. Gebarowski, ODGLOSZY 17 September 1989)

"We constantly live with the fear of whether the rapid 'entry into power' was right. I am afraid that it will reach a situation in which Minister of Labor Jacek Kuron will try to pass laws that will make our basic weapon, the right to strike, considerably less effective. People in the plants are now being fed on the idea that we have 'our' Mazowiecki government. Union issues have become secondary. And so our union people are in danger of a split: we should act in one way to defend the interests of workers in the branches and another way to implement a union strategy developed in Warsaw and Gdansk. Do we have to do this? Theoretically, we are creating organizations that are fully autonomous. In practice, however, the RKO [Regional Defense Committee] decides which strikes are valid and which are invalid. At RKO meetings today, everything is discussed, but the least attention is given to purely union issues. (...)"

Jozef Slisz, chairman of the Solidarity NSZZ RI [Private Farmers], deputy marshal of the Senate:

(Interviewed by Marcin Makowiecki, ZYCIE GOSPODARCZE 17 September 1989)

[Question] Has the Solidarity RI strengthened its influence in rural areas? How many members does it have?

[Answer] It is much stronger than in 1981, despite the difficult recent years. There are many reasons underlying the strengthening of the position of Solidarity in rural areas. During the martial law period, we did not stop working, but conducted our activity in the farm pastorates, an idea that the Church gave us. We met there and trained and prepared many activists who are leading our union today.

At the present time I cannot tell you how many members the union has, but it has quite a few. We are now undergoing the election process. The congress and the national councils election are to be held before 15 December. Then we will be able to take a count. We do know, however, that there are Solidarity RI circles in every gmina and there are voivodship councils everywhere. Interest in our work is growing in rural areas."

Attorney Jan Olszewski, former member of the Citizens Committee under Lech Walesa:

(Interviewed by Elzbieta Misiak, LAD 10 September 1989)

"...the immediate involvement of all Solidarity forces the day after its legalization in the election campaign, instead of in the rebuilding of the union's organizational structures, was the determining factor that has caused Solidarity's numbers today, 4 months after its return to open and legal activity, to be, at most, at 15 percent of its membership 4 months after it came into existence in 1980. It may be said that it used up all its steam in one big election toot, with the result that we have considerable influence in the Sejm and a full impact in the Senate, but a very, very limited effect among the workforce cadres. In my opinion, only the latter factor will really count in the game that will be further played out over the shape of state and economic reform. What is essential is not merely how many Sejm deputies are ready to vote in accordance with the advice of Lech Walesa or the Solidarity leadership, but how many workers are ready to strike at their call, and especially to keep from striking."

Gen Czeslaw Kiszczak, deputy premier, MSW [Ministry of Internal Affairs] chief:

(Interviewed by Jerzy Szperkowicz, GAZETA WYBORCZA 11 September 1989)

"(...) We cannot allow the state system, which protects the constitutional order and internal security, to become an arena in which the various political currents compete. For this reason, the slogan of the depoliticization of the MSW must be understood as its becoming independent of the party, and if the government makes such a decision, the ministry will comply with it resolutely. (...) The premier can depend on me completely. In the near future, I will convene a ministry meeting and I will present a new philosophy for our work: service to society that is subordinate to the interests of the democratic state. I guarantee that all of the premier's recommendations and counsels will be implemented loyally, in accordance with the law. Regardless of the kind of government we have and the

person who is at its head, the Ministry of Internal Affairs must guard the laws, law and order and constitutional order."

Jerzy Urban, chairman of the Committee for Radio and Television Affairs:

(Statement during the decoration of radio and television employees with state awards, RZECZPOSPOLITA 1 September 1989)

"...Immediately after the new government is established, I expect to be dismissed from the position of chairman. I expect this all the more since some of the present manifestations of 'pluralism' are marked by overzealousness, of which I do not wish to act as figurehead. (...) Political activists from the former opposition are speaking of pluralism on radio and television. Meanwhile, some journalists from this current are writing and speaking of the seizure of control over radio and television, creating the impression that a political upheaval is in progress and introducing currents of triumphalism and revenge. This creates alarm among television and radio reporters. I assume that changes in radio and television mean cooperation, comanagement, the right to diversity in views and tolerance."

Bishop Ignacy Tokarczuk, ordinary of the Przemysl diocese:

(Interviewed by Andrzej Urbanski and Adam Wiczorek, TYGODNIK ROLNIKOW SOLIDARNOSC 3 September 1989)

"...In my opinion, a crucial problem, not only with regard to farmers, but with regard to Poland's whole political geography, is whether after such changes, it makes sense to hark back to the prewar tradition and renew old parties. Should we recreate them, when the situation in today's rural areas is different, the demographics are different and the political world is different? Is it not time that we created new, nationwide parties? The workers' trade union will defend workers, the peasants' unions will defend peasants, and alongside them, the seeds of parties should arise to act on behalf of the nation as a whole."

The opinions and views quoted under this rubric are not always in accordance with the views of the editorial staff.

Party Daily Comments on Internal Solidarity Divisions

90EP0041B Warsaw TRYBUNA LUDU in Polish
14 Sep 89 p 4

[Article by Andrzej Bogusz: "Hypothesis: Union in Opposition"]

[Text] As a trade union, Solidarity can take great satisfaction in the fact that a government has arisen in which its political representatives are in the majority and the governmental program expresses tendencies promoted by the union's leader.

Even before this government was confirmed, however, the first fears of what is to come were verbalized in the union press. Michal Boni wrote in TYGODNIK SOLIDARNOSC: "Many activists are afraid that we shall become a government union. This would clearly have to restrict the autonomy of Solidarity and its role, which consists primarily of the protection and defense of employee environments." But, of course, he explains further on that such a situation will not occur. In the same issue of the weekly, another author, Jerzy Sadecki, has a brief critical reflection from the day of the strike that includes the following point: "Why?" The leader of Solidarity in the WPK [Voivodship Transportation Enterprise] said: "What was I supposed to do? I had to attach myself to a group of people who barricaded the gate with busses and cried out: Let's strike! Why did I have to? Because otherwise I would have lost face..." And the author queries, "Is this Solidarity? Of course not."

"None of us are interested in strikes that disrupt the life of Poland. We spoke about this and wrote about it long ago. Moreover, everyone knows that both the new government and the old union leader will do everything possible to prevent a strike, arguing that we have a new authority and that the political goals of strikes are now obsolete. But this government will have to make many unpopular decisions that will provoke resistance, and perhaps new strikes of another nature—not merely of an economic nature. What then? Will the plant Solidarity leaders not find themselves in a situation in which they may lose face?"

It is nothing new that Solidarity as a social movement has long been divided into various political groups which will probably begin to be emancipated into parties when the law on parties is passed. One of these groups which has a liberal character aims to privatize national property. Waldemar Kuczynski, again in TYGODNIK SOLIDARNOSC, said: "It may be stated that, with regard to the economic system in Poland, a strategic goal should be the introduction of modern day capitalism in its European version and the abandonment of a search for a third way," for Poland cannot afford such experiments. And so, in addition to the bankrupting of unprofitable factories and the danger of local unemployment or unemployment that threatens Poland on a broader scale—a problem which subsidies cannot solve—there is the danger of a situation in which the socialization of society and the economy may be followed closely not so much by the enfranchisement of employees as by their disfranchisement. This may happen if the above political orientation gains the majority, supported by foreign capital.

Are all Solidarity activists in favor of the privatization of Poland? I doubt it very much. When I see the allies of the Left among those that are in favor of socialization, it seems to me that they may find themselves in the situation of oppositionists.

Access to Financial Records of Enterprises Needed

90EP0029A Warsaw GAZETA WYBORCZA in Polish
22-24 Sep 89 pp 4-5

[Interview with Michal Bon, member, Mazowsze leadership of Solidarity, and deputy editor in chief of TYGODNIK SOLIDARNOSC, by Wojciech Zaluska: "A Career in Solidarity"; date and place not given]

[Text] [GAZETA WYBORCZA] Would you ever decide to leave NSZZ Solidarity?

[Bon] Yes, if the union became an anachronism, i.e., if it began to operate in an uncontrolled manner, strikes and only strikes, paying no attention to the economic situation and the political processes which are occurring in Poland. In a word, if it became a "stupid" union.

[GAZETA WYBORCZA] How can that be avoided?

[Bon] A change in the law on trade unions is needed, and soon. The unions must have guaranteed access to information on the financial situation of the plant. In western law, the unions also have the right to conduct an audit of the enterprise's financial condition at its expense once a year. It is worth taking advantage of that experience. Otherwise, we will bog down in amateurism and destructive strikes.

The new legal framework for the operation of unions is also needed in order to establish the relations between our government and Solidarity—an independently operating trade union.

[GAZETA WYBORCZA] You frequently write that Solidarity should be a "modern union." What does it mean to be an activist in such a union?

[Bon] The activists must know the capacity of the plant and the strong and weak points of the manager in order to play the game with him. That is the case, for example, in the Ursus plant where the manager and Solidarity have reached agreement. Sometimes the manager's people come to the plant commission and say: "Listen, you cannot strike; our financial situation is horrible." And Solidarity can communicate that suggestion to the employees, if it knows the true condition of the firm.

But the activists also know that in return for halting the protest the people must get something in exchange—name a volunteer labor inspector, improve health and safety and work organization. At the initiative of Solidarity in Ursus, a group of lawyers and economists is working on transforming the mechanical factory into a stock company, including ownership by the employees.

In order to promote such behavior, the union must organize training in many fields combined with an exchange of information between commissions. The plant activist cannot be an economics expert, but he should at least know the economic and social issues of his plant that he can ask an expert specific questions.

Unfortunately, activists who come to the regional office, frequently can only throw a stack of papers on the table and say "do something with this."

[GAZETA WYBORCZA] Well, can the regional office help them?

[Bon] At present, the office has at its disposal two institutions: the Intervention Commission, which helps in resolving current conflicts, and the Center for Union Research, which provides advice from lawyers, economists, sociologists, accountants, etc.

Obviously, the activists can also get help from the members of the regional offices. Unfortunately, there are too few individuals among the people with well-known names who can go to a plant and through the sheer force of their prestige carry off a mediation between the employees and the management. Practically, only Zbyszek Bujak has such prestige. I think that the Solidarity press should promote names to a greater extent.

[GAZETA WYBORCZA] But the Mazowsze Region does not have its own regional paper; the second-circulation WOLA of which you were the editor and publisher has ceased publication.

[Bon] The majority of the editorial staff now works for TYGODNIK SOLIDARNOSC and GAZETA WYBORCZA; there has been no opportunity to publish WOLA on a quality level that would be satisfactory to us. But perhaps another solution would be better. For example, a daily program, even a 10-minute one, for Solidarity Mazowsze on local television. It is time to use new media.

[GAZETA WYBORCZA] How do you judge the Mazowsze union personnel?

[Bon] The personnel that gained experience in 1981 and in the conspiracy is not bad. But in my opinion, that amounts to barely one-third of the commissions. Union activists with self-management experience are also doing well.

[GAZETA WYBORCZA] How are the other two-thirds of the commissions?

[Bon] Much worse. The plant activists wait for global solutions; they cede responsibility to the Sejm and the politicians; they do not want to accept responsibility at the lowest level.

[GAZETA WYBORCZA] Can one have a career in Solidarity?

[Bon] In 1981, work in the union was prestigious. Today things are completely different. At present, entry into parliament or working with one of the Sejm Commissions or with a ministry is a prestigious honor. The union lacks activists. Frequently, it is difficult to elect a plant commission chairman because no one wants to run.

Walesa has done little to change this situation. He meets too infrequently with the activists, and he could raise their prestige that way.

Solidarity needs a program discussion that will develop a position. It must have a multifaceted influx of information that guarantees influence on decisions. Discussions on the national level by Solidarity officers should be preceded by discussions at the plant and regional levels. If activists do not feel that they are participating in the formation of union policy, the union will be weak and disintegrate and, thus, become irresponsible. It would be hard for such a union to secure the reforms of the Mazowiecki government.

In order to achieve all these things, it is necessary as quickly as possible to begin an election campaign in Solidarity that will help it develop an identity appropriate to our new times.

YUGOSLAVIA

Milosevic's Wife Speaks at Session on Nationalism

90EB0061A Belgrade *POLITIKA* in Serbo-Croatian
7 Oct 89 p 6

[Account of the joint meeting of the ideology commissions of the city and university committees of the Belgrade LC by Radovan Lazarevic and Darko Cvarkovic, including remarks by Mira Markovic, wife of Serbian leader Slobodan Milosevic: "The Destructive Effect of Political Nationalism and Separatism"]

[Text] Ideological controversies and social reforms were the topic debated at yesterday's joint session of the commissions for ideology and theory of the city committee and university conference of the Belgrade LC [League of Communists].

Speaking about differing visions of possible directions of the social reform, Radivoje Marinkovic said in the introductory presentation that we do not all think alike even on the essential question of being for or against socialism. That is, he remarked, some people see categorical rejection of both Marxism and socialism as the only road of social reforms that would lead out of the crisis. A similar ideological position is taken by those who see the possibility of rebirth on an a priori basis in rejection of social ownership. Finally, there are also extreme views, he added, to the effect that what we have had up to now actually was not socialism.

In rejecting these theses, Marinkovic said that "...we must critically reassess and redefine our present concept of social ownership. It is correct in principle to assume a socialism in which social ownership will be dominant, but that ownership would have to be economically efficient and effective, which would be confirmed in free competition with other forms of ownership.... As for the position of social ownership in the legal system, the

economic system, and relations, it should truly be on the same footing as the other forms, which presupposes the possibility of selling a failing socially owned enterprise to a private individual, and the other way about."

Turning to the controversial conceptions of political pluralism, Marinkovic said:

"The only opinion that has so far been clearly and publicly articulated is that any pluralistic political organization would have to have Yugoslavia as a whole for its geographic and programmatic basis, not any partialities within it, such as the nationality, the republic, or any other geographically bounded segment within Yugoslavia. This view is opposed by another one which insists on an ethnic platform and basis of that kind of organization. This view is not manifested solely in statement of the position, but also in practical realization, through establishment of various associations, alliances, and parties around purely ethnic programs. This purely political nationalism is striving with all its energy and means to portray itself as authentic democracy directed against, as its spokesmen have been trying to prove, the new unitarianism and statist centralism. But the amendments to the Slovenian Constitution which are in dispute have demonstrated its true goals and purpose.

"It is becoming altogether obvious that the view which accentuates a Yugoslav framework and program as the basis of pluralistic political organization has in mind a Yugoslavia which is a political community of all its citizens, who would be equal, with the kind of federal system that would guarantee equality of the nationalities and ethnic minorities and the federal units that would be constituted on that basis, and the Federation and its bodies and agencies would not be deprived of the minimum of original rights and powers necessary for that community to function as a whole in the economic, political-legal, and other spheres of vital importance to its survival. Yet at the same time it is becoming equally clear that the view which insists on the ethnic principle, absolutizing national, economic, and political sovereignty, has in mind a Yugoslavia which is a confederation, or, which is in essence the same thing, an asymmetrical federation," Marinkovic said, adding:

"This political nationalism is finding its point of support and tacit approval in a kind of ideological and theoretical, and indeed even political, neutralism, silence and noncommittal of a sizable segment of the Yugoslav political and scientific public in certain communities. This political nationalism and separatism may also find a kind of support in certain positions taken in the document entitled 'Basic Directions for Transformation of the League of Communists of Yugoslavia,' such as the one which reads 'that the equality, brotherhood, and unity of the nationalities and ethnic minorities are not to be threatened or destroyed in any form or in any manner in the resolution of the essential issues which are fundamental to establishing the federal character of socialist Yugoslavia.' Although the basic intention of this position is not in dispute, it causes a problem in the part where it insists

unequivocally, but also unclearly, that equality may not be upset in any form or in any manner, since the political nationalist and asymmetrical federalist can quite calmly interpret this in support of his viewpoint, in defense of the view of absolute economic, political, and every other kind of national sovereignty, which is obviously how the Slovenian Communists and members of the constitutional commission and delegates in the Assembly of SR Slovenia read it and interpreted it when they adopted the proposed version of the amendments in dispute," Radivoje Marinkovic said in conclusion.

Is the LC Losing Its Integrative Yugoslav Character?

Prvoslav Ralic, who was the first to speak in the discussion, offered several answers to the question why our theoretical work on the reform is making headway, but the reform itself is showing no progress? As he put it, the reforms are being hampered by the domination of interests which have nothing in common with the real interests of the working class. The interests of bourgeois society are emerging on the social scene, and a militant minority is gaining political legitimacy.

Ralic is of the opinion that there is an undisguised effort to establish a new neobourgeois society. Its strategy can be traced through the persistent disabling of the League of Communists, especially the negation of its organization on the principles of democratic centralism. At the same time, he added, there already seems to be an active bloc of separatist forces in the country which often are politically heterogeneous, but united in their intention to destroy Yugoslavia.

Social reforms, Ralic added, cannot be carried out either by means of the dead telephones so characteristic of interrepublic contacts, nor by legalizing the politics of the fait accompli, or by proclaiming any differing opinion to be a stab in the back of one's own nationality.

Where is the solution for this kind of situation? Ralic said that for Serbia it lies in the spirit and ideas of the Eighth Meeting of the Serbian LC Central Committee, in integration within the country, in firmer economic linkage with the world, in doing away with all monopolies.

In the opinion of Zoran Todorovic, the LC has to provide answers to several key questions before the upcoming congress if it takes place at all in view of the haggling over the date when it is to be held. Todorovic finds occasion for this kind of pessimistic view in the fact that the party is slowly giving up its integrative Yugoslav character, that a new type of socialism is being persistently invoked, yet there is a desire for everything to stay the same, a socialism to human measure is being advocated, when actually this is only a disguise for a society that is both without socialism and without this state.

The reforms are also being hampered, Todorovic believes, by ideas, already legalized to a great extent, to the effect that abolishing socialism in our country is the

ticket into the world of the rich. The fact that life is very hard in that rich world is passed over without much thought.

For Zoran Cicak, the divided nature of Yugoslav information space is a synonym for the struggle of differing political options to win over minds. This struggle, in his opinion, has brought to the surface several anthology examples of manipulative use of information, where he was referring to the stereotypes which saw the Eighth Meeting of the Serbian LC Central Committee and subsequent events in Serbia as only a seed of evil. How shaky are the legs on which those stereotypes stand, Cicak said, is indicated by the datum that in that Serbia, that kind of Serbia, there has not been a single trial for the verbal crime, which cannot be said of the communities in which those journals operate.

Yugoslavia Was Created in Struggle and It Is Only in Struggle That It Can Be Broken Up

Referring to the ever more pronounced disintegrative processes in Yugoslavia, Cicak said that Yugoslavia is neither an accidental community, nor the result of an agreement among the elites of the nationalities, but that it was created in struggle, that a great deal of blood was shed for it, and that it can be torn down only in the same manner. All those who have set their sights on destroying this country must be aware of that, Cicak said.

"Every major social reform contains dilemmas which among other things pertain to the measure of progress which it brings," said Dr Mira Markovic, professor.

"Nor is the reform which Yugoslav society faces free of those dilemmas either. On the contrary, it contains them to a greater degree than any other reforms in the past, since it is taking place in the framework of a radical new historical type of production. And it contains them to a greater degree than other reforms which occurred earlier in the socialist countries, since at this moment all the socialist countries are facing the necessity of a major social reform, with a necessary transition to a new phase of socialism.

"The character of the changes which we are carrying out in Yugoslavia does not bring progress inevitably, and it especially does not bring it automatically," Mira Markovic said.

Changes in the economic sphere necessarily bring about corresponding changes in the political sphere. Wherever work is done with means of production which are privately owned or in a so-called combined community, the possibilities for self-management and also for the operation of political organizations, above all organizations of the League of Communists, are precluded or limited.

And truly, if production is based on privately owned means of production, then the management of that production cannot be social management. I do not preclude the possibility of the vanguard theoretical and social intentions of the authors of this combination, but it is really difficult to bring about. Private ownership has

not existed without exploitation in the past, and social management of privately owned property would truly be an absurdity. That kind of historical hermaphrodite would not only be unrealizable, but the attempts to bring it about would lead society into a still greater economic, political, and spiritual crisis. However, we cannot preclude such a possibility as a danger since we are already aware of our inclination to create many absurd solutions and to proclaim them original and progressive.

Accordingly, changes in property relations, combining social ownership with other forms of ownership, restricts self-management to those areas of production and work which take place in the sphere of social ownership. In enterprises organized on the basis of private ownership or combined ownership, the League of Communists, instead of the vanguard role, could easily and quite realistically and justifiably find itself in the role of an opposition.

Thus, in the political sphere as well, then, we are forced to take a step backward.

In the context of civilization, socialism is still at its beginning and its development is not harmed if in fact some steps are taken backward at the beginning, one or two, say. But it is not to its advantage not to say openly and in advance that we are taking those two steps backward so that we might take one forward.

And as for the forward movement, it, of course, is a major topic not only for Yugoslav theory and politics, but indeed for present-day socialism in general.

Turning to the question of the "Yugoslav road to Europe," Mira Markovic said:

"Indeed, the very advanced capitalism which we mainly have in mind, thinking of Europe, is highly differentiated even in Europe, not just in the world: there are differing degrees of development, differing degrees of humanity, differing distances from its transformation to socialism. Accordingly, a commitment to the road to Europe would have to contain those material and spiritual values which represent the goals to which we aspire. We might say, for example, that they are the material prosperity in which almost all citizens live in Sweden, the highly developed and dynamic political life that they have in France, the responsible and organized attitude toward work that they have in Germany, the level of urbanization and in general the civilized level of town life that they have in Switzerland, and so on.

"Without commitments of that kind, that is, without clear commitments, we leave society, the young generations in particular, in a quandary when we mention the road to Europe. Europe after all, that is, the bourgeois part of it, is divided into classes, and that division is the basis not only of exploitation, but also of many other injustices to which man is exposed," Mirjana Markovic added, and she continued:

"Those material and nonmaterial achievements of the advanced European countries which represent the

highest attainment of our civilization ought to be the object of our aspirations, along with respect for our commitment to socialism, as a society without economic exploitation and without a political hierarchy. Especially because of what those attainments can contribute to the commitment to that kind of socialism. Unless we are clear in that respect, we will create a confusion in which many people, young people particularly, will conclude that a strong economic development will necessarily be accompanied by crime, that high salaries will be accompanied by job insecurity, and freedom of thought will be accompanied by political terrorism. Or the illusion that the high social and personal standard of living and freedom of thought can be achieved only in bourgeois society. That is, that they are, so to speak, incompatible [original reads "also compatible"] with socialism."

Hypocrisy in the Debates About Socialism

Milos Aleksic said that the level of debates at the top level of the League of Communists concerning socialism and its reform is disturbingly low. In addition to that, he called attention to the political, moral, and theoretical hypocrisy in debates about socialism in Yugoslavia that exists at the top level of certain segments of the LCY. Aleksic distinguished three levels of controversy that exist in Yugoslavia concerning its future and the future of socialism: the first would be the controversies concerning the very concept of socialism, and then the controversies that have to do with political pluralism, and finally the differing commitments as to the model of Yugoslavia as a state.

In clarifying the differing conceptions of political pluralism, he enumerated three main ones: the so-called front-oriented type which is actually the classical prewar concept of the unity of all left-wing forces according to the design of Stalin and Dimitrov and which is to be found in Slovenia; the second would be a coalition of the ruling Communists with left-wing socialist factions, also well-known in history and advocated in Croatia, and the concept of pluralism without parties in the framework of the Socialist Alliance, which is being proposed by Serbia.

Aleksic said in conclusion that there is no conflict in Yugoslavia between unitarianism and federalism, but that the basic controversy is between federalism and confederalism.

Aleksandar Ilic spoke about the importance of ownership in any system, and therefore of social ownership in our self-management socialism. He recalled that no prevailing type of ownership had survived without strong support of government authority. Ilic believes that we need to free ourselves of dogmatism with respect to private ownership, but also that it is not a legitimate thesis in theoretical, historical, or practical terms that the crisis in our society can be explained solely in terms of ownership.

Dragomir Draskovic pointed out that it is almost mandatory for the criticism of the one-party monopoly to

turn into anticommunism and into criticism of self-management as well. He stressed that the numerous options that question socialism are emerging as factions of the bureaucratic counterrevolution. In his opinion, the Socialist Alliance is the space in which differing interests can be pursued in the context of democracy without parties.

Obrad Pejanovic said that today, unfortunately, there does not exist even the minimal agreement as to the paradigms which could be the basis for defining the goal of our present reform of socialism, nor even minimal agreement as to what is meant by socialism and what is meant by a return to bourgeois society. Pejanovic recalled that in the history of socialism to date essential theses of Marx have been accidentally or intentionally compromised, and some have even been forgotten. It has turned out that most of what socialism has offered over the last 70 years has almost nothing to do with the original Marxist philosophy. And a bad or wrongly posited theory cannot yield results in practice, Pejanovic believes. Pejanovic said in conclusion that we must fight to create a system of values which will confirm itself in practice, and we must not impose anything.

In concluding the debate, Danilo Markovic said that all the speeches delivered in this meeting would be printed in the journal MARKSISTICKA MISAO [MARXIST THOUGHT]. In his opinion, we need to redefine socialism and also self-management, since many shortcomings have cropped up in practice to date. The debate also demonstrated that the League of Communists must move much faster in taking a position and adopting a commitment concerning all the options which are being offered, Markovic said in conclusion.

[Box, p 6]

Disintegrative Democracy Is Characteristic Only of the Socialist Countries

"It seems to be only in the socialist countries today that democracy is identified with disintegration. Disintegrative democracy does not enjoy citizenship in a single other country, from Argentina to Japan, from the poorest to the richest. But in socialist countries, democracy seen in that light is destroying both the state and the political community. This is confirmed by events in certain parts of the Soviet Union. And not only there. These processes of disintegration have taken on such proportions that today the idea of creating a state is stronger even in the poorest African countries than in certain socialist countries," Zoran Todorovic said.

Remarking that disintegrative democracy characteristic of the socialist countries is gaining legitimacy in our own country, Todorovic said that a map of Europe on the eve of World War I is already being circulated, that the circles which are launching it are placing great reliance on the destructive consequences of disintegrative democracy.

[Box, p 6]

They Doubt Belgrade's Safety, but There Is Shooting in Their Own Communities

"In certain communities, they have spoken and written for a long time about how Belgrade is a dangerous city, that security is not guaranteed in it. How groundless those assertions are is indicated by the datum that shots have not been fired into a single branch office in Belgrade, no bombs have been planted, no tourists have been beaten, although these things have happened in the communities where there is doubt about its safety," Zoran Cicak said.

Tito's Work Is Being Torn Down Most by Those Who Would Establish an Asymmetrical Federation

"A bloc of separatist forces is operating on our political scene. They appeal quite often to Tito and his work. But it would be political blindness not to see that the anti-Titoists are most in evidence where Tito's work is being torn down, not where there have been a few verbal crimes. And at this moment Tito's work is being torn down most intensively by those who are working to establish the asymmetrical federation," Prvoslav Ralic said.

Role of Orthodox, Catholic Churches Examined**Milosevic, Orthodox Church Linked**

90EB0006A Zagreb DANAS in Serbo-Croatian
15 Aug 89 pp 22-23

[Article by Danko Plevnik: "Whirling Madhouse"]

[Text] Inasmuch as they would remain in the afterlife only as long as they were remembered on this side of the grave, the pharaohs built pyramids from a purely atheistic viewpoint.

Belief in immortality also depends on social disposition. Prince Igor, when concluding a "preliminary" religious contract with the Byzantines, gave oath before a statue of thunder god Perun, but when Prince Vladimir accepted the non-Slavic, imported, Christian God, Perun became superfluous. Thus, a propos, persons in Milosevic's presence once swore by Tito's image, and now it too has disappeared. Such is the faith of dialectics, but also of conversion to Christianity.

Why has Slobodan Milosevic now brought the Serbian Orthodox Church (SOC) under his sponsorship, after Kosovo, the party, and the government? There is a legend that from among Byzantine Orthodoxy, Roman Catholicism, Islam, and Khazar Judaism Prince Vladimir chose Byzantine Orthodoxy because of its beautiful liturgy, but also because it promised more to emperors. It is not to be ignored that the SOC liturgy is even more poetic, lilting, and melodious than the Russian. Does the SOC attract Milosevic with the idea that it is the 4th Rome (at least for all Serbs), by offering a more lasting memory of his image, or does the desire for canonization of his own father, an Orthodox clergyman,

force him into such close contact with what until recently was the biggest outsider of Serbian society?

If Catholicism is the religion of the Crucifixion, Orthodoxy is the religion of the Resurrection. To understand the innermost spiritual layer of Milosevic one must be familiar with the teachings of the Russian prophet Nikolay Fedorovich Fedorov, who was revered by Leo Tolstoy, who otherwise revered no one, and by F. M. Dostoyevskiy, father of the idea of Orthodox socialism. Fedorov believed that genetic information is transmitted only from male to male, and advocated the concept of patrifaction, resurrection of fathers. Milosevic, like Fedorov, calls for conversion of the energy of the (Albanian) development to energy of the (Serbian) revival. Fedorov cried out for brotherhood not only in space but in time, also believing in the possibility of changing the past. Milosevic accordingly is more the brother of Lazar than of Tito's soldiers. It is a masterpiece of understatement to say that the partisans were overqualified among the traitors of total Serbdom, but it has been forgotten that it was Princess Milica's church, not the partisans, which advised that they agree to vassalage.

The ideological chaos in the LCY to which Orthodoxy has adroitly contributed confirms that communism is transitory and Serbdom eternal. The present day is merely a part of Serbian eternity. In this mission of transforming the past both Milosevic and the SOC are rushing to seek support in tradition rather than in evolution. The SOC is passing through a period of idolatry of Milosevic, who as an atheist since the age of 17 does not need it, just as Orthodoxy does not need to have atheists placed in the ranks of its saints. But perhaps Milosevic's disregard of the copyright for production of church relics with his image on them represented an introduction to a fully civilized action, astonishingly sudden return of social dignity to the church by the new provisions of law, heavily covered by the media, something which is meet and proper, because many of our moral values and ethnic forms cannot be understood outside the context of Christianity.

The SOC is also interesting to Milosevic because it is both the oldest and the only Serbian institution which has sovereignty throughout Yugoslavia. The SOC is not abandoning the hope of ultimately becoming the state church in the Serbian state, or the hope that hierarchy of faith will begin to be favored in place of religious pluralism, something not inconsonant with the favoring of ethnic groups that has begun. Lastly, the SOC has truly been a pioneer in the struggle against Albanian chauvinism, a struggle in which Milosevic himself has been "beatified." However, both Milosevic and the SOC are playing for big stakes and are carefully taking each other's measure. Although he has brandished his sword at persons who are outside, not inside, the country, Milosevic has not covered himself with glory with his saber rattling speech, because true Orthodoxy is Christianity, not Serbdom. Indeed, at a banquet together with members of the church, when explaining the importance

of the Vienna-Budapest-Belgrade traffic route, Milosevic behaved entirely Yugoslav-like, finding words of praise for the future Adriatic highway. However, this tendency of his to speak in one tone of voice in a monologue and in another tone in a dialogue puts sensible people in the church on their guard.

However, the church knows that it is operating not in the Kingdom of Heaven but in an unstable and contradictory historical situation and that the communist giving of freedom has most often been followed by taking it away. Its eschatologism is somewhat soothed by Milosevic's apocalyptic optimism, but it is confused by the fact that Milosevic is a heretic of Milosevicism. He is constantly breaking down the defense system of the Milosevicites, but also the offense system of the Anti-Milosevicites, often being unpredictably controversial and going beyond the limits of their interpretations.

Both Milosevic and the SOC believe that Serbia is a country with a special mission. A common viewpoint of theirs, *sub specie mortis*, is also the battle against the evil and hostile forces of history which do not allow unhampered and permanent revival of the Serbian national idea. Their anthropology is also similar. Man is a Serb. The salvation of Serbia and the Serbian soul is possible not by means of anti-Serbian universalism but by means of a solidarity in which all Serbs are responsible for all Serbs.

Hence there is also need for the romanticist's exaggeration of medieval harmony both as social ideal and as a call to rejection of the abomination of bureaucratic communism. Milosevic is remorsefully aware of the bureaucratic sin before the people and of the impossibility of psychological reconciliation with his own privileged position. To the SOC the entire 6 years of suffering of the Serbian people would make sense if thanks to them it would be possible to inaugurate the age of Slobodan.

But from the spiritual viewpoint it knows that Milosevic does not believe in God even if he does believe in Orthodoxy. It knows that the freedom he has seized may suddenly turn into obstinacy and obstinacy into malice, and so it prefers to believe in the good of the ethnic element. Inasmuch as the people wants results and not the burden of power, to the church it is better for one man to be besmirched with power than the entire people, because power is a bigger burden than righteousness. Will submits only to will. Time will tell if Milosevic has been Christ or Antichrist to the Church.

If terrorism is almost *de rigueur* for ultracatholicism, ultraorthodoxy is regularly accompanied by traditionalist obscurantism. Aggressive and almost statelike theism perplexes even members of the Serbian nation in Croatia. The charge levelled by Serbian ultranationalists against Serbs in Croatia that they have betrayed Orthodoxy for the sake of their military pensions suggests the idea that they fought not against fascism but against Orthodoxy. The Serbian idea of "Orthodox" nationalism is not that former deeply human idea of man as man but rather the eschatological idea of a Kingdom of

Serbia, Great Serbian vindicationism, and irredentism. Wherever the Serbian church is, there is Serbian land.

Nationalists never interpret historical examples from the viewpoint of emancipation but exclusively from that of possession. Almost 400 years ago the Turks burned the relics of Saint Sava at Vracar. A church dedicated to his memory has now been built there. While a mosque can be built in Zagreb, a Catholic church could not be built in Belgrade. As early as 1219 the city secured the autocephaly of the Serbian church, but Orthodox nationalists do not allow such emancipation even after almost 800 years to Macedonian and Montenegrin believers. This is exactly the opposite of the ecumenical spirit of this saint. If it is Orthodoxy, then it is Christian and not Serbian, Macedonian, and Montenegrin. And if it is Serbian, it is also Macedonian and Montenegrin. Furthermore, Saint Sava was one of the first European clergymen to visit an Islamic institution.

While they weep over the Serbian diaspora, "Orthodox" chauvinists refuse to see that the Albanian people and the Albanian nationality are divided into four faiths, Orthodox, Catholic, Islam, and atheistic religion. While they sing with hatred about other people's freedom, they are lacking in a basic Christian category, love and brotherhood.

The small but maniacally aggressive number of Serbian nationalists stubbornly try to compromise the SOC and to make it into an implement for their own socially pathological promotion. The "martyrs" of Serbdom desire the halo precisely of the SOC in order to affirm the legitimacy of their indigenous continuity. Thus far this respectable religious denomination has had the strength and farsightedness to resist the agitation for interethnic and interdenominational discord. However, when church premises are used to preach "sermons" on nationalist "heroes," religion ceases to be a private matter for the individual and becomes a public, government matter for the nation, because such "sermons" have been inconsonant with the role of the church since the French Revolution.

There are clergymen more in tune with the ethnocratic past than the ecumenical future, and because of their feudal ideas have no hope of returning the spiritual area of his personal "I" to man, only narrow sectarian nationalist stubbornness. Both laymen and clerical nationalists are no longer satisfied with the Orthodox or Catholic religion but want in their omniscience to set up a Catholic or Orthodox society. The most notorious leaders of chauvinism dream of the churches reaffirming the Chetnik and Ustasha movement. The more moderate would be content with the monarchist socialism of A. Karadjordjevic or the Italian crown.

Historical backwardness and social frustration, "zoological patriotism," is sensed in this foolishly militant theism, a desperately low level of spiritual life manifesting predominance of ordinary, ritualistic materialism over the creative freedom of human intellect. When tears are shed over the previous social harmony, tears are also shed over the previous material situation in this harmony. Why is it that

only that which is conservative is historic to the church? After all, the revolution was an historic event.

Religious nationalism may have gone well with an agricultural society, but it does not sit well with a computer literate one. But to be able to refute the Greater Serbian lie we must first be able to recognize Serbian truth, such as the SOC undoubtedly is. Are they preparing themselves as churches to reform society? To judge by the "statesmanlike" pronouncements of the highest ecclesiastical dignitaries, there are a large number of material, organizational, and daily political concerns (support for release of the Ljubljana Four, support for the Croatian language, support for the Panserbian movement). The churches do not push, at least not as openly as before, the search for meaning and improvement in human life but for the fate of their own revival, for renewal of their social power. Building more churches means gaining more territory. Pure religious feudalism.

Because of their extremism in national sentiments, the churches are not developing a more modern teaching of new society, the man of today, their new role in society, the problem of superdenominationalism, etc. Ecclesiastical workers can no longer behave toward modern citizens as the early Christians did toward illiterate, spiritually unfree, and socially passive people.

But the backwardness of the church is a consequence of the overall backwardness of our society. And negative selection has done its work here. If the economy, science, and morality have lagged behind, the church should be that much more progressive. Although atheism has been politically useful and also motivated by moral sentiments, because it has reduced the number of controversial matters between different people, it has been the result not of independent and evolutionary dominance but of forcible and sometimes clever denial of the existence of religious feelings. Hence an atheism of dialogue rather than of monologue is far more realistic and well conceived, just as a movement of individualism, democratism, and socialism should be more characteristic of a church than one of nationalism. However, dialogue between Marxists and Christians cannot be conducted away from the logos.

Of course, an interdenominational dialogue should also be like this. Is a dialogue between the convinced really possible? A frank statement, unusually radical from the psychological viewpoint, was recently made by the bishop of Gornji Karlovac, Simeon. He said that "man must accept and respect regardless of his belief or his membership in a particular church or denomination. But every man in his heart of hearts wants every other man to think and believe as he does. This is a phenomenon inherent in every religion and in every ideology." Is belief, then, not also a deeply social rather than merely spiritual act? Is not belief symbolically the beginning of doubt? And even though we may have the same social ideals, from the psychological viewpoint we may experience them differently. Beliefs are unverifiable, but if our churches, as well as our governments, really want what is good, we see no reason why they should not achieve it. I see no reason why the Catholic

Church in Croatia, headed by the Pope, who himself was a victim of fascism, should not pay its respects to the ghosts of Jasenovac. On the other hand, if Stepinac was able to protest against the antifascist authorities so many times in such a short period, I do not believe that he was unable to do so more often against the fascist ones. Again, I also do not believe that much was gained when he rushed from the partisan tribune to follow the Ustasha banner if it is accurate that his brother was felled by Ustasha hands.

I think that we communists too should for once show believers more desire for lack of power than for power, especially power over the convictions of others. But as we in socialism have been socially excluded and have become isolated, by its beneficial humanism—babysitting, caring for the old and the sick, engaging in cultural activities—the church has found its acceptable place in society. It is a significant social, cultural historical, and psychological fact, and no scientism of any kind can diminish this value.

Regarded realistically, present-day religion is an advertising agency, and the church a department store. But there is the illusion that only a new commodity, and not a new spirit, can save us from the society created, from tyranny and the best commodity. In European society the new church, which cannot be the same after Nietzsche, Marx, Freud, and Einstein, has also contributed its mite to liberation of the individual spirit from subjection to the consumption interests of the contemporary world. Christians rightly criticize atheism for often having been a dictatorship of materialism.

It is clear that no one's humanistic wellbeing can be unnecessary. After all, humanism too is a faith, a faith that man can make himself better (and not only before God and man). Indeed, I believe only in a humanism which struggles against the power of the state and society, party and church, the ethnic group, and bureaucracy over the freedom of man's personal convictions. No one other than we ourselves can better sense the humanism of others toward us. But humanism is not just perception of sensation; it is also sensation of perception, its predominance over real life. And what is real life today? Even the Lord Jesus does not know in this whirling madhouse of a world.

Criticism of Catholic Church Refuted

90EB0006B Zagreb GLAS KONCILA in
Serbo-Croatian No 35, 27 Aug 89 p 5

[Article by Vladimir Seks: "Arbitrary and Unsubstantiated Opinions of Catholicism in Croatia"]

[Text] The weekly DANAS, No 391 of 15 August 1989, published an article entitled "Whirling Madhouse" by Danko Plevnik (who is also editor of KOMUNIST for Croatia).

In his article the author analyzes the relations between the Serbian Orthodox Church and Slobodan Milosevic (which are not the subject of this article), but at the same time expresses certain opinions about Catholicism and

the Catholic Church in Croatia which to say the least cause astonishment. Thus, without any proof, he writes, among other things, that "if terrorism is almost de rigueur for ultracatholicism, ultraorthodoxy is regularly accompanied by traditionalist obscurantism" (total hostility toward science and education; stultification; bigotry—editor's note).

No Catholicism With de Rigueur Link to Terrorism

Danko Plevnik does not explain at all what he means by "ultracatholicism" (it could mean "hypercatholicism"). But in any event linking an undefined and unexplained expression for Catholicism to terrorism is surely wading into dangerous and slippery waters. Such an (unsubstantiated) assertion contributes to formation of the idea that there is some form of Catholicism (where? who are its exponents?) with a de rigueur link to terrorism. The (false) linking of any form of Catholicism to terrorism everywhere is in harmony with malicious and persecutory efforts of certain forces which incessantly falsely accuse the Catholic Church in Croatia, and Catholicism and the Church in general, of spiritual leadership to genocide of the Serbian people (and even of participation in this genocide).

Similarly, the linking of Catholicism to terrorism by certain strata can create the impression that certain terrorist acts in the recent past, and ones which may occur in the future, are the work of an "ultracatholicism." It is an historical falsehood to state that any form of Catholicism has ever been linked de rigueur to terrorism, and D. Plevnik should thoroughly explain his viewpoint.

'Proof' of Charges Against the Church in Croatia

D. Plevnik goes on to write that "because of their extremism in national sentiments, the churches are not developing a more modern teaching of new society, the man of today, their new role in society, ..." Inasmuch as Plevnik had earlier referred to both the Serbian Orthodox Church and the Catholic, it is not clear if Plevnik believes (but again without any evidence) that the Catholic Church is also an exponent of extremism in national sentiments. Extremism in national sentiments is another term for chauvinism (uncritical high evaluation of one's own patriotic sentiments and hatred of another people or peoples). As a result of the unexplained and undefined assessments he makes, D. Plevnik condemns all churches, and so the Catholic as well, as extreme in national sentiments. This is obviously not true, at least as regards the Catholic Church in Croatia. The result of his writing this, however, is that again certain circles will have "proof" of the charges against the Catholic Church of creating "extremism in national sentiments," and the uninstructed populace of other nations and denominations will receive nourishment for hatred (among other things) of the Catholic Church, Catholicism, and the Croatian people.

Power Responsible for Negative Selection

Immediately thereafter Plevnik writes, "but the backwardness of the church is a consequence of the overall backwardness of our society. And negative selection has

done its work here." Again we have an arbitrary, unfounded assessment. There is no proof for the statement that the Catholic Church is backward, and it would be very interesting to have Plevnik explain wherein the Catholic Church in Croatia is backward and behind whom it lags. There is entirely inappropriate linking of alleged backwardness of the Church to negative selection in society. Negative selection in society denotes a "personnel policy" under which the decisive criteria for staffing various positions are not professional knowledge, ability, and diligence but obedience, poltroonery, sycophancy, etc. We entirely agree with Plevnik that negative selection is one of the fundamental facts of our day-to-day living. Responsibility for negative selection and its pernicious consequences resides with power, which always finds it more important for an individual to be "morally and politically suitable" and "ideologically correct" than his knowledge, professional skill, and honesty. Precisely this political power is the cause of negative selection, because this power has excluded and continues to exclude the majority of the people (in view of their religious world outlook) from administration of the government and society. But this political power ("subjective forces"), which is responsible for the backwardness of society, has had no influence on the Catholic Church in Croatia because as a "subjective force" it has been unable to implement its personnel policy and negative selection in the Church. Hence Plevnik's assertion that the Church, and the Catholic Church in particular, is backward has no foundation whatever in fact. A certain other entity is backward, the one which continues stubbornly to prevent the Church and believers from participating in administration of the government and society simply because they are believers.

Plevnik's next statement, to the effect that "although atheism has been politically useful and also motivated by moral sentiments, because it has reduced the number of controversial matters between different people, ..." is more than "interesting." Since when has atheism been politically useful to society as a whole? Is it not really the height of sarcasm to write that atheism is motivated by "moral sentiments"? This motivation by "moral sentiments" is nothing other than the vulgar and primitive materialistic assertion that religion is the "opiate of the people," a sign of backwardness, etc. And in what respect has atheism as "politically useful" "reduced the number of controversial matters between different people"?

When Should the Church Be 'Good'

Immediately after his statement that "atheism has been politically useful," Plevnik alleges that "...as a movement of individualism, democratism, and socialism it should be more characteristic of a church than as a movement of nationalism." This assessment presumes that the Church is turning to nationalism. But Plevnik does not say which church, and his words clearly can be taken to apply to the Catholic Church. And it is obviously not true that the Catholic Church is turning or that it has ever turned to nationalism, unless nationalism is understood to mean the Catholic Church's firm roots in

Croatia in the breadth of the Croatian national being, its care to preserve the culture, identity, language, and all the values of the people, unless nationalism is construed to mean love for one's own people while respecting every other people.

It appears that the Catholic Church should turn to "individualism, democratism, and socialism," as if alone of all churches it has forgotten how to act and live among the Croatian people. Then it would be a "good" church; then it would not turn to "nationalism." And concern for national interests, that is, the interests of the Croatian people, should be left entirely to "subjective forces" (political power), which have led the Croatian (and other) people to moral decline, misery, dissatisfactions of all kinds, and to the threshold of ruin and biological extinction.

Pathological Hatred for Everything Croatian

Lastly, Plevnik writes "I see no reason why the Catholic Church in Croatia, headed by the Pope, who himself was a victim of fascism, should not pay its respects to the ghosts of Jasenovac." Precisely at a time when malefactors of history, intriguers like Vladimir Dedijer, along with his entire phalanx of sycophants (Dr Milan Bulajic, M. Zivojinovic, Lucic, and others), obsessed with a pathological hatred for everything Croatian, the Croatian people, and the Catholic Church, are systematically making false statements about the genocidal character of the Croatian people and the responsibility of the Catholic Church for the wartime atrocities, including Jasenovac of course, the Catholic Church in Croatia, headed by the Pope, should go "pay its respects to the ghosts of Jasenovac." So the Catholic Church in Croatia and the Pope on behalf of the Vatican should pay their respects in Jasenovac (as Willi Brandt did in Warsaw to the Polish victims of Nazi terror), thereby asking for the forgiveness of the victims of Jasenovac and thereby naturally admitting responsibility for the Jasenovac atrocities and crimes. Hence the demand that the Catholic Church in Croatia and the Pope pay their respects to the "ghosts of Jasenovac" is nothing but agreement with

the Dedijer gang's charges that the Catholic Church is responsible for the wartime atrocities and collaboration with the Nazi and Fascist criminals. At a time when the official myth still prevails that there were at least 700,000 killed (and according to the crazy ideas of Vuk-Draskovic and others like him also more than 1 million Serbs alone) in Jasenovac (even though it is a confirmed fact that around 60,000 persons languished in all the camps and prisons in the Independent State of Croatia), homage by the Catholic Church of Croatia and the Pope would serve to confirm the charges that during the Second World War the Croatian people acted in concert with the Catholic Church to organize and carry out genocide of the Serbian people. If it is a question of a call to pay homage to "ghosts," historical truth demands that all the innocent victims be remembered, among them the innocent Catholic priests killed at Siroki Brijeg and in many other places.

Plevnik also does not believe that Stepinac, "if he was able to protest against the antifascist authorities so many times in such a short period," was "unable to do so more often against the fascist ones." It is a welcome admission that Archbishop Stepinac did protest against the fascist authorities (although D. Plevnik does not say why), but it is astonishing for him to be accused of not doing it more often (as against the antifascist ones). Historical documents clearly demonstrate the great number and forcefulness of the Archbishop Stepinac's protests against the fascist authorities, while he was in a position such that he protested less against the antifascist authorities because they (unlike the fascist ones) clapped him prison soon after he protested.

Lastly, I cannot agree with Plevnik's statement that present-day religion is an advertising agency and the Church a department store. It is obvious that religion and the Church are something entirely different from an advertising agency and a department store. This simile better befits the (poorly stocked) "department store" and (cheap and unsuccessful) "advertising agency" in which Danko Plevnik buys, sells, and advertises.

HUNGARY

Bypass for Soviet Tanks Built at Papa

25000488A Budapest NEPSZAVA in Hungarian
2 Oct 89 p 4

[Text] A tank road is being built for Soviet armored cars stationed at Papa. It will bypass the city. Up until now the caterpillars have reached the Beke Square railroad station by way of an unpaved road and through five streets.

Residents were complaining that for 2 decades the tanks have been "splattering" their mud on the paved road, and therefore the streets in front of their buildings have always been muddy or dusty. They also complained about the fact that one after another their walls are cracking. There are nights when between 50 and 100 tanks roll across the city.

Residents of Kisfaludy Street were the first to say that they had had enough. Two years ago they threatened to erect barricades to keep out military units. Tempers were calmed when an agreement was reached between representatives of the local council, the Hungarian State Railroad [MAV] Szombathely directorate, the Hungarian People's Army, and the Hungarian-Soviet Joint

Committee, to the effect that a new military road would be built on the east side of the city, at the foot of the mountain.

The opposition immediately registered the question as to where the council had obtained money to build a 7 km road. As it turned out, the road did not cost a penny to the council, because a large part of the cost was covered by the Ministry of Defense. They will build a crushed stone road from the barracks to the railroad at a cost of 5 million forints. The MAV has agreed to build a 300-meter-long loading track where tracks join the line in the direction of Kisber. By now 1 km of the road has been completed, but it will take another 2 or 3 months before it is finished. In "times of peace" the military road will be used also by local people driving to their vineyards at Oreghegy.

The city council has not given thought to the question of what will happen after the tanks depart permanently. To be sure, adjacent to the Soviet barracks, outside of the fence, there are four prefabricated buildings occupied by Soviet officers and their families. Also the barracks serving the enlisted men could be transformed into apartments. Thus the ancient city could have between 500 and 600 additional dwelling units. Accordingly, given time, the housing concerns of Papa could be resolved.

INTRABLOC AFFAIRS

Major Norwegian Chemical Firm Expanding to Poland, Hungary*90EN0059A Oslo AFTENPOSTEN in Norwegian
27 Oct 89 p 21*

[Article by Ulf Peter Hellstrom: "New Wind in the East—Hydro Offices in Poland and Hungary"]

[Text] Norsk Hydro is getting an organization in Eastern Europe ready now. Norway's biggest industrial company wants to establish itself in Budapest, the capital of Hungary, early in 1990, and Warsaw in Poland will follow during the second half of that year.

Norsk Hydro's results for the third quarter of 1989, which arrived on 26 October 1989, were about as expected, most financial analysts say. Norsk Hydro earned 408,000,000 kroner after taxes in the third quarter. Oil and gas income now provides big profits, while agriculture, light metals and petrochemistry had weaker results from operations.

"The liberalization process in Eastern Europe—especially in countries such as Hungary and Poland—is opening up new market possibilities for us. Eastern Europe's trade with the West will increase. Hydro, as a big company, will have to be aboard the merry-go-round then," Director Tor Sverre Jacobsen said to AFTENPOSTEN on the telephone from his office in East Berlin on the afternoon of 26 October 1989.

Responsible in the East

He is also responsible for coordinating Hydro's activities in all of Eastern Europe. Norsk Hydro has established offices in Moscow, Bucharest, Romania, and East Berlin. After establishing itself in Budapest and Warsaw, Norsk Hydro wants to be established over all of Eastern Europe with the exception of Czechoslovakia and Bulgaria.

The big concern already dominates Norwegian trade with Eastern Europe. "In the GDR alone, annual trade has doubled in the course of a few years to roughly \$100,000,000, or 700,000,000 kroner," Jacobsen says.

In particular, the Hydro director sees future trade possibilities in a Hydro sale of fertilizer products and metals to countries in Eastern Europe. In addition, the company is also buying some raw materials from Eastern Europe.

"We are also interested in cooperation with other Norwegian companies in that area. Perhaps, in particular, we can be interesting partners in cooperative efforts for small and medium-large enterprises back in Norway," Jacobsen says.

Earnings

The quarterly report, which was submitted on 26 October 1989, indicates that the per-share profit was 2 kroner in the third quarter and 10.30 kroner in the first

9 months of 1989. Earnings for all of 1988 were 17,10 kroner per share. A number of rough stock market estimates for 1989 have been on that same level, too.

Many financial analysts with whom AFTENPOSTEN was in contact on 26 October said that they probably would have to adjust their estimates downward after the third quarter. The downward adjustments are owing, among other things, to some uncertainty regarding agricultural operations, taxes and the cost of the new magnesium factory in Canada. It is going into operation about now.

Hydro's overall turnover in the third quarter of 1989 increased by 11 percent to 15,400,000,000 kroner. Up to the present in 1989, income from operations has come up to 49,000,000,000 kroner. During the first 9 months, the profit after taxes was 2,109,000,000 as against 2,178,000,000 kroner in the corresponding period in 1988.

The big agricultural activities produced a profit from operations of only 9,000,000 kroner out of a total of 6,500,000,000 kroner worth of earnings from operations. Low prices outside of Europe and somewhat lower sales were important causes of that result, which, however, was obtained in a time of year when the purchasing of farm products is always rather low.

"We have already noted an increase in the number of orders received up to the present in the fourth quarter," the information chief of the concern, Bjorn Tretvoll, says.

Profits from oil and gas operations in the third quarter of 1989 of 436,000,000 kroner are owing, among other things, to the fact that the production of oil at the Oseberg field got started. If the price of oil remains at around \$18 or \$19 per barrel for the rest of the year, profits from operations will probably exceed the 634,000,000 kroner of profit earned in the second quarter.

CZECHOSLOVAKIA

Rediscovery of Management in CSSR Discussed*90EC0049A Prague ZAPISNIK in Czech
31 Aug 89 pp 8-11*

[Article by Marcela Jurickova: "Managers"]

[Text] The economy is like a lotus flower. Every day in Japan it blossoms and its scent penetrates the entire world. In our country the stalk that came out of the ground years ago is dried and withered. Why? It probably isn't a problem with the soil, more likely the gardeners. Maybe this is too poetic a comparison, but it is not far from the truth.

How To Recognize a Manager

In Czechoslovakia the work of managers has been enveloped by conjecture and a veil of secrecy. This is clear from the lack of agreement as to the definition of the term. One dictionary of foreign words defines it this way:

"In bourgeois society a business leader of a sports team or artistic troupe". Elsewhere one reads that a manager is "an expert in efficient enterprise management", and in a third source the word is defined as "a director, organizer, professional leader". The introductory reference to the Japanese economy was intentional, because I think that in the Land of The Rising Sun they have developed a truly exemplary management strategy. The president of the firm Sony, Akio Morita, describes management as follows: "Management remains an undefined activity that is difficult to comprehend, and which cannot usually be evaluated based on the quarterly performance of a company. The most important task of Japanese managers is to foster a healthy relationship among enterprise employees, to create an environment so that they all feel they are in their own families, and to see to it that management and the line employees are aware that they share a common fate." This is truly a wonderful idea. Even more interesting is the fact that it is fully applied in the daily operations of the firm.

A few readers may be surprised, but in addition to managers of artistic troupes this profession is finding a home in the industrial sphere in this country as well. Long standing custom has taught us to address "heads of an enterprise" as directors, chiefs, deputies and the like. The word manager sounds odd. But it doesn't matter what you call a person, what matters is what that person does. The first step in this direction (unless my research has overlooked something) can be credited to the Automation and Computer Technology Plants [ZAVT], which has set up on a trial basis manager training for selected supervisory employees. I asked more or less the same questions of some randomly chosen graduates of the program and, surprise, sometimes received diametrically opposed answers to the same question.

Question: What qualities should a Czechoslovak manager possess?

Eng Pavel Prior, director of the Office Machines business enterprise: "The designation entrepreneur would be more exact. This must not be confused, however, with the enterprising sort who cooks crepes on the sidewalk. At a minimum a manager should be an expert at his chosen profession, as well as trained in management. Natural abilities and talents for leading collectives are not enough, because complicated situations arise and if they are handled only intuitively mistakes can be made. I am categorically against the future training of 'professional managers' who specialize only in management. For instance, an enterprise becomes unprofitable, production declines. In comes a manager and saves the situation. After the crisis passes he moves on to another failing enterprise. This reminds me too much of a so-called professional manager. He works a couple of years in the food industry, a couple of years in the toy industry, and then just before retirement he turns around aircraft repair facilities. How can he manage an enterprise when he does not know the specifics of its operation, I ask you! I do not believe in the 'from flowerpot to flowerpot' system."

Eng Vlastimil Seda, chief of the finance division of Brno Zbrojovka: "In my opinion a manager is a capable organizer with a feel for the optimal resolution of a problem situation. He must of course have an appropriate education and experience, both in social sciences and in the field where he is a manager. If the word manager sounds odd to someone, I would have no trouble with the term "capable supervisor at any particular level."

Eng Stanislav Hamrlicek, deputy director of Mathematical Machines Research Institute: "Working with people is a very difficult thing to do, so it is essential that a capable manager be able to persuade all interested parties that his approach is correct. He needs to be able to persuade suppliers to deliver quality goods on schedule, convince customers to accept the goods they bought, and his own employees that their work is valuable. Another task of the manager is to put together a collective that makes optimal use of its members. The manager has to be a sort of bulldog who grabs hold of a problem and doesn't let go until he has accomplished his objective. Let me give you an example. The manager walks around the shop floor and challenges his people: 'I know that the production line is rated for 100 balls, but the machine sure doesn't know how many it should produce. And I know that the guy at the machine has no trouble producing 150 balls. I'm sure you can do that. My own experience indicates that they will do it.'"

Eng Antonin Weinert, candidate for doctor of science (CSc), chief of the computer design division of the Mathematical Machines Research Institute: "I refer to a top flight supervisory employee as a manager. He should be flexible in the management techniques he chooses, as long as he stays within the law. The rules of the game, possibilities, tasks, and authority, all should be established by the executive office of the sector concerned. I do not conceive of a control system as isolated paper decrees about fulfillment, but as a real contribution to society. My view is that electing directors and managers is not a good idea. How can people who do not know the field make a decision about who will be appropriate in such a position. Democracy yes, but not in this case. Regular employees can give preference to their own interests over those of the group. They might easily elect someone because they know that he will not push them, will not make too many demands. I would prefer a competitive process or direct appointment for a trial period. If you make it, fine, if not then you can take a position more suited to your talents. Too much certainty in a good job until retirement is an enemy of productivity and entrepreneurial ideas. In terms of professionalism, I am convinced that a competent manager doesn't care what he is managing. He sees things in a broader context, and therefore will be just as good at assuring prosperity for a music group, a soccer team, or a company that produces jewelry."

How and Where To Find a Capable Manager

Again I will cite the view of Akio Morita: "All engineers who begin to work for Sony are first assigned to work on the actual production lines; they work there long enough to personally experience the degree to which production

techniques correspond to what they do. I personally think that it is better to move people around, not allow them to stay in one place. Otherwise there is the danger that they will become slaves to routine and become lazy".

No one can convince me that a truly excellent manager should not make his way up from an entry level employee to a manager's chair. I can already hear the engineers complaining: "I didn't go to school all these years to end up inserting screws on an assembly line." One example will suffice. The director of an unnamed three star hotel started out as the night watchman. He made his way up to head waiter, gradually completed his education, worked as operations director, deputy director, and now he is the director. All he needs to do is look for an instant at the working areas and he sees something wrong. No waitress is going to put something over on him because he knows all the tricks. A textbook example of human will. I just don't understand why a college graduate can't spend at least a little time in all the important areas of an operation by way of preparing himself thoroughly for his future managerial position. I don't think that summer work is enough.

Conversations with the above mentioned experts again yielded differing views on selecting appropriate candidates.

Eng Pavel Prior: "Selecting the right person is now known as personnel work. It is not always the case, however, that a senior manager is successful in choosing subordinates who in the positive sense of the word are above average. Why should he complicate the years remaining to retirement and open himself to the danger that someone will notice qualities of someone more capable than he is. On the other hand, if a director really does take seriously the future of the enterprise and the republic he will notice talented people and spend time developing them. He will give them progressively harder assignments, force them to be more and more active. I think that every good manager should train his successor. At the same time I think the schools should adopt some of the disciplines practiced in the organization and management of labor. Even this will not be enough. Training managers is a lifelong process that will require courses, in service training, and the like."

Eng Stanislav Hamrlicek: "It is generally known that young college graduates are not eager to assume managerial responsibilities. These jobs bring with them too many responsibilities and problems and too little monetary reward. I would argue for closer links between enterprises and schools, as is generally the case abroad. Managers in the manufacturing and research spheres attentively follow students in given fields and recruit them directly from their school desks. During their studies they are being trained for their future jobs".

Eng Antonin Weinert, CSc: "I would certainly introduce a selection process at the high school level for those suited to managerial work. I think that most enterprises

could easily allocate a couple of people to search for managerial prospects. I don't think I would advocate the establishment of special schools at either the high school or the college level. Current techniques for deciding who will be accepted, you see, do not assure that all accepted students will be qualified. Neither the application nor the entrance examinations allow you to determine if a kid will eventually be able to lead and deal with people. I am therefore in favor of inservice training for those who have proven themselves on the job."

Promotion Only for Loyalty to the Firm

From time to time I receive a "report on good authority" that so and so has been stripped of managerial responsibilities for incompetence, by way of obtaining a promotion to a supervisory office. A similar tale states that the reason someone was named director is that he has worked for the enterprise for 40 years. I really want to believe that neither of these tales is true. However, the godfatherly age of some senior functionaries in the production and nonproduction spheres sometimes gives me pause. Experts and laymen all agree that the optimal age for beginning a career in this country is 35. This means beginning to climb the ladder at this age, step by step, freeing up space for younger people at about the age of 50. It sounds great, being able to leave in time, but when it actually becomes time to break the bread not everyone is able to let go of an attractive job. It isn't written anywhere, however, that when one retires he immediately becomes a senile gardener, tending his carrots.

"Japanese firms maintain access to previous chief executives because it is thought that they have priceless knowledge and common sense. By according past executives special honor, leaving them privileges, we keep them from being estranged from the firm. This allows us to continue to use their advice, opinions, thoughts, and contacts". One of the founders of the firm Sony thus resolved the aging problem in a very acceptable fashion. Why not do so in other countries as well?

Round table discussions with managers about managers, and between managers and the general public actually stemmed from a good idea of the ZAVT stock company. One set of international sessions were conducted, in part as an isolated experiment. Nevertheless, all who attended the session were enthusiastic about being able to apply all their new knowledge to the day to day work process. Beginning in September other potential managers will slip behind the school desks, the training will go beyond its initial shortcomings, improve its presentations and become more systematic. This at least is how the organizers are planning it. The quality of education of this type will go a long way to determining the future of the Czechoslovak economy. My wish would be that the following citation from Akio Morita never apply to "Czech managers":

"I do not like it when managers think that they are people chosen by God to lead stupid followers, and for whom they will perform miracles."

(Citations from the Japanese entrepreneur are from his book, "Made in Japan"—Akio Morita and Sony, published in New York in 1986.)

Agricultural Land Preservation Viewed

90EC0033B Prague DOKUMENTACNI PREHLED in Czech 31 Aug 89 pp 15-17

[Unattributed article: "Preserving Agricultural Land"]

[Text] Czechoslovakia covers 12,789,947 hectares. The largest percentage of this is agricultural land, which covered 6,765,091 hectares as of 1 Jan 1989. Of this, 4,751,670 hectares were arable land. Given a total population of the CSSR of 15,624,021 (10,360,480 in the CSR and 5,263,541 in the SSR) this means that there is 0.433 hectares of agricultural land per capita (0.4157 hectares in the CSR and 0.4669 hectares in the SSR) and 0.3041 hectares of arable land per capita (0.3129 hectares in the CSR and 0.2868 hectares in the SSR).

Agricultural land is an irreplaceable production asset and, along with forest land, forms an important component of the environment. Pertinent legal regulations place the protection of the land stock under agencies established by the okres and kraj national committees and governments. These agencies enforce law No 53/1966, laws of the CSSR, covering agricultural land protection, and updated by law No 75/1976, laws of the CSSR. The Federal Assembly announced the full text of this law under No 124/1976, laws of the CSSR. Several implementation regulations have been issued related to this law. These include CSSR Government ordinance No 102/1976, laws of the CSSR, to stop the loss of socialist agricultural organizations, CSSR Government ordinance No 39/1984, laws of the CSSR, which set rates for transfer payments for removing land from agricultural production, decree No 142/1976, laws of the CSSR, by the Federal Ministry of Agriculture and Food, which enables several provisions of the law on land preservation and Federal Ministry of Agriculture and Food Guidelines, file No FM 015-900/1978, to establish a unified approach to the removal of agricultural land from production in summer cottage locations and groups of garden plots. In addition to these regulations a large number of instructions, announcements, and suggestions have been issued in the past.

Losses of Agricultural Land

Improving our level of self-sufficiency in food production requires the full utilization of available agricultural land, in compliance with the law on land preservation. We have been losing agricultural land gradually since the 1950s. Between 1966 and 1988 we lost 547,992 hectares of agricultural land. Reasons for this net loss of land include natural calamities, flooding, losses due to housing, industrial, and agricultural construction projects, the building of water works, communications facilities, and losses due to mining, forestation, etc. The

greatest losses (192,258 hectares) occurred in the 1976-80 period. Of this, 35,266 hectares was accounted for by land removed from production for construction purposes, 4,003 hectares were removed for mining, with 152,989 hectares remaining. After 1981 the losses decreased, with total losses for the 1981-85 period amounting to 87,152 hectares.

A particular problem is presented by land that has been temporarily removed from agricultural production (for a period of less than 12 years) and land that is not presently being used for agricultural production (flooded, overgrown with scrub, etc.). The land temporarily removed from agricultural production amounted to 17,020 hectares as of 1 Jan 1989 (12,527 hectares of which is arable), while the land temporarily not being worked amounted to 96,848 hectares (17,006 hectares of which is arable). Although total agricultural land has declined from 7,069,896 hectares on 1 Jan 1973 to only 6,765,091 hectares on 1 Jan 1989, the amount of temporarily idle land (total of land temporarily removed from production and land currently not being worked) has steadily increased from 39,724 hectares on 1 Jan 1973 to 113,868 hectares on 1 Jan 1989. On 1 Jan 1989 a total of 6,651,223 hectares was actually being worked.

We will not be able to stop completely the loss of agricultural land. Instead we should try to implement measures that will assure that we lose land only in exceptional cases. CSSR Government resolution No 292/1981 provides for replacement cultivation for land removed from agricultural production. The existing approach has been inadequate because inappropriate plots have frequently been designated for recultivation. This meant that even when we began to work them the quality and quantity of the output did not compensate fully for that of the land that had been removed from production.

Land Fertility

The qualitative evolution of available agricultural land may be documented in part by changes in its natural fertility. Pedological analyses have shown that soil fertility throughout the republic has levelled off and even declined in some places. Factors that lower fertility have been more and more prevalent. They include industrial emissions, excessive chemicalization, impermeable subsoils, equipment and techniques, water and wind erosion, etc. The largest percentage of total pollutants in the CSSR is accounted for by sulfur oxide (affecting approximately 670,000 hectares of agricultural land in the CSSR).

Several programs are now being developed, based on documents compiled by the Czechoslovak Academy of Agriculture, to improve soil fertility. In the context of improved water resource management it is recommended that 750,000-870,000 hectares in the CSSR be drained, and that some 500,000-600,000 hectares be irrigated. Fertility improvement programs include anti-erosion measures, because some 3,700,000 hectares of

CSSR agricultural land is threatened by wind and water erosion. One potential area for increasing plant production levels is the cultivation of soils with extreme physical and chemical properties. Approximately Kcs 1.5 billion is expended annually from the resources of the state fund for land cultivation on the recultivation, modifying water availability, and on antierosion measures.

HUNGARY

New Rules for Business Registrations To Be Issued

25000498B Budapest HETI VILAGGAZDASAG in Hungarian 7 Oct 89 pp 8-9

[Text] Beginning in January 1990, government records concerning business firms will be consolidated. In addition to data pertaining to business organizations, these records will also include business data about state enterprises and cooperatives, according to a proposed decree approved by the government in late September. The presidential council is expected to act upon the proposal next week. Thus far data concerning state enterprises has been contained in a so-called register which served regulatory purposes and was not public, and the legal supervision of such enterprises was performed by their founding entities (ministries, councils). The new rules would establish legal supervisory authority over state enterprises within courts of registry, thus reducing the dependence of these enterprises on state administration. In addition, the measure would increase the security of businesses because the most important data concerning state enterprises will be available to the public at the registries, according to the explanation of the proposed decree. (The records have to be transferred by the end of June 1990.)

Next year the registration of businesses will be accomplished by completing a printed form. These contain spaces for all the necessary information. Thus it may be expected that the registration of firms will be accelerated, and less time will be spent seeking missing data. Beginning in January, the court of registry will no longer decree the registration of firms; instead they will enter their affirmations on properly executed forms. That form will then constitute the registration of a firm. Also beginning in January all registrations will become public documents. Only files "containing state secrets" will be exempted.

Another novel feature is that as a result of the new rules it will be possible for individual entrepreneurs (including small tradesmen and small merchants) to register, but such registration will not be mandatory as it is for state enterprises and cooperatives. Plans call for the development of a unified, computerized registration system beginning in 1990. Thus, it is expected that parallel registration of firms with identical or similar names by different courts of registry will be eliminated.

Changes in Bond Trading Introduced

25000493C Budapest HETI VILAGGAZDASAG in Hungarian 7 Oct 89 pp 75-76

[Article by Gyorgyi Kocsis: "Securities Sales: a Herding Maneuver"]

[Text] As a result of an agreement reached by commercial banks involved in trading bonds with individuals, a larger volume of domestic securities trading will take place at the exchange. Experts expect more vigorous and more transparent trading, and improved protection for investors as a result of the cautiously introduced changes.

"Do you understand the deduction," the professor asked. "No!" the students replied. The professors explained the deduction once again. "Do you understand it now?" "No," the students responded again. "Hmmm," the professor pondered, "now I do not understand it either...." With some exaggeration, professionals at the Securities Trading Secretariat (EKT) compare themselves to the anecdotal professor when laymen seek an explanation of the essence of the new securities trading system. It is to be introduced on 9 October, and professionals emphasize that this will take place on an experimental basis.

What new trading system—investors tormented by the fluctuations of past years may ask. More experienced investors have seen a few changes in the system already. Some may recall that last May the six banks that trade securities with individual clients consummated a "forced marriage." As agreed upon, they compared their announced, so-called tender prices on a weekly basis. In the midst of accelerating inflation, climbing interest rates that follow inflation, and an increasing number of competing savings plans, traders try to preserve easily shaken investor confidence, the trust of those who have invested money in fixed interest rate bonds. But the traders' efforts were not crowned with resounding success.

"Divorce proceedings" were initiated by Budapest Bank (BB) toward the end of last year, because ultimately this financial institution got the short end of the agreement that was developed with less than adequate circumspection. In the midst of jointly, but artificially maintained price levels, BB stood alone in agreeing to repurchase bonds from a host of investors wanting to sell—in other words, in professional terms, BB was the bank that guaranteed the solvency of the market. Liquidity is an indispensable feature of a functioning securities market; it has to do with the idea that if a person once bought securities, he may also get rid of them, if he wants to.

Accordingly, last January the banks severed themselves from both "bed and table," and up until now all banks have freely established bond tender prices of their own issue, complete with a commitment to repurchase such stock if offered for sale. The table presenting bond prices per bank issue served as the record of this trading

system. It will appear for the last time in its past form on in the present issue of HVG.

As a result of significant qualitative improvements in the trading system, banks expect to see an invigorated market and fewer disturbances in cooperation. To a certain extent the new system departs from the way the market has thus far been divided among the banks. In many respects this system resembles trading conducted in the exchanges of developed countries. Therefore, after some additional fine tuning, this may become the basic institution for the Budapest securities exchange to be established officially next year.

At this time, professionals are trying to apply in practice the principle they have repeated so often: A securities market is able to fulfill its role in the national economy only if the so-called secondary market (i.e., the transfer of securities in among owners) becomes as open and as concentrated as possible. The role to be fulfilled involves the provision of appropriate investment opportunities for savers, and appropriate capital resources for entrepreneurs. The likelihood of someone being shortchanged simply because he cannot be present in more than one place at a time, and is incapable of being informed about everything, decreases as a larger share of supply and demand converges at the same place, as chances of consummating successful transactions increase, and as more "authentic" prices develop.

The openness of the Hungarian securities market, and primarily of the bond market which still dominates secondary trading, has been strongly impeded thus far by the fact that with the exception a few, the chief intermediaries were banks that traded on their own accounts. These banks purchased bonds from clients at their own expense, or sold bonds from their own inventory. In the framework of this system the bank's dual role of being intermediary and "manager" of its own savings—its own portfolio—is mixed. For example, it could happen that a bank purchases a solid, income-producing security from one of its clients, and will not resell it. Instead, it will keep it for itself, even though there is outside demand for the security. Under such circumstances a meeting of the minds does not necessarily exist between buyers and sellers. Accordingly, under such circumstances a bank could disturb the market because it interfered on the basis of its own business policies.

This kind of situation was resolved in developed, capitalist countries a long time ago. Only commissioned agents may act as intermediaries in securities transactions. Hungarian banks intend to gradually adopt this system which demands no small amount of self-control on the part of the banks and others. The banks decided that beginning on 9 October they will trade about 150 bonds basically on a commission basis. This change already points toward what a much debated passage of the securities law under preparation would say, notably that securities trading may be pursued only by institutions organizationally divorced from banks.

In the future, commission trading will be coupled with an obligation to transact sales at the exchange. This means that buying or selling orders received from clients must be executed on exchange days. Due to the expected increase in the number of transactions, the number of exchange days, heretofore held only once a week, will be increased to 2 in October, and to 5 days per week in December. It then follows that henceforth banks will not quote weekly tender prices for the above-mentioned 100 bonds. Prices will evolve as a result of the public and reviewable interaction of buy and sell orders instead. In this way investors may be certain that their orders were executed by brokers at the best possible prices that could be achieved on a given day.

Investor protection and the liquidity of the market demand that the largest possible number of orders be transacted. For this reason the new trading system does not fully relieve banks of the responsibility for the market they have created, if for no other reason than because banks earn no small income as a result of helping to "give birth" to bond issues. This is accomplished by applying various safeguards, the most important one being the fact that any bank which transfers part of the securities it issued into commission trade, will become the market manager for that issue. This role represents an obligation for the bank to announce a buying and selling price for those securities on every exchange day, and to transact orders up to a certain level if demand exists.

Accordingly, the market manager is a kind of "life raft": it does not act as long as supply meets demand without difficulty, but the market manager becomes activated if there are no offers at all in response to a buy order. The market manager is obligated to satisfy the demand, even though it is at a self-established price. This obligation also exists in the reverse. All this serves as a guarantee that the best possible deal will be struck, that the somewhat fictitious prices mature into real exchange rates in the course of trading, prices the EKT is obligated to make public after each exchange day.

According to the agreement, banks have a short deadline to announce the list of securities they want to continue to handle in their capacity as brokers on the exchange. (The starting list will be announced by the EKT on 4 October.) In this regard the new system is significantly different from real exchanges, for the time being. At real exchanges, traders themselves do not decide which issuers to list as eligible for trading at the exchange. In real exchanges this decision is made on the basis of stringent and objective criteria by an organization within the exchange, established for that purpose.

Investors may count on changes in banking services in exchange for hopes held out by the new trading system to strike the best deals. In regard to the above-mentioned 100 bonds, the usual, over-the-counter service will be discontinued, meaning that the client will no longer be able to select the security he wants on the basis of a

posted chart showing exchange rates, and then walk up to the window and purchase it from the teller.

Clients will execute orders instead and deposit the prescribed sum of money. The amount to be deposited will vary among competing banks, just as the commission charged for filling orders will be different. Nevertheless, the amount to be deposited will have to be publicized in any event. Thereafter the bank will notify the client at an agreed upon time whether it succeeded in filling the order at the exchange. Quite naturally, the client will be able to specify various conditions to the bank's broker concerning the acceptable price level and the time of fulfillment, the same way clients can specify such matters to some already existing brokerage firms.

Some professionals fear that many clients will feel strange about this new, unusual way of transacting business. To bridge this situation clients may still purchase bonds from banks in the traditional way, from the banks own inventory, if they insist. This situation has the potential of reversing the new system, and reinstating the old.

The fact that in addition to the listed 100 bonds, the remaining 250 bonds will continue to be traded on the basis on the bank's own account, complete with the weekly announcement of tender prices, is not a negligible part of the agreement reached by the banks. EKT stressed that the system is experimental because traders are uncertain what effects the changes will have on the market.

This serves to explain why commission trading applies to a smaller part of securities only, the composition of which may be changed. Securities specialists claim that there is no other way than to experiment. Along with the recognition of this truth, investors may be reassured by the fact that concepts advanced relative to the Hungarian securities exchange are being scrutinized regularly under the magnifying glass of World Bank professionals.

Computer Fair Opens in Hungary

25000497A Budapest NEPSZAVA in Hungarian
11 Oct 89 p 16

[Article by Ferenc Voros: "Compfair '89"]

[Text] Last year's introductory exhibit created a tradition. There will be a Compfair '89—the largest Hungarian computer technology exhibit. Beginning on 17 October, 153 exhibitors—among them 14 foreign exhibitors—will demonstrate their products in a 4,000 square meter area at the Budapest Congressional Center and at the Hungarian Optical Works [MOM] cultural center. It is somewhat disappointing that some Western world corporations did not accept the invitation, but the absence of exhibitors from socialist countries, except for Robotron from the German Democratic Republic, is truly apparent.

Considering all this, Compfair '89 overwhelmingly will measure the products of Hungary, i.e. it will be an exhibit of Hungarian products.

Despite the lower than expected foreign participation, the initiative is noteworthy because computer technology shows the most dynamic development in Hungary. This growth is also demonstrated by the rapid increase in the number of computers in Hungary, and by the number of organizations engaged in computer technology. Since 1984 the gross value of computers operating in Hungary has increased from 27 billion forints to 50 billion forints, and the number of organizations operating in various entrepreneurial forms and engaged in computer technology has exceeded 3,000.

Computer technology application has proven to be a significant field in which jobs have been created in recent years, aside from the urgent demand presented by higher technological standards. Business organizations dealing in computers as their primary occupation employ more than 26,000 persons. Various smaller organizations in the computer field provide at least 17,000 workplaces. As a result of dynamic, though far from satisfactory development Hungary is linked to the global computer market with increasingly stronger ties. With the proliferation of microcomputers almost half of the amount invested into computers is spent on products from capitalist countries. Domestic production provides a somewhat larger part of the products purchased, while less and less computer technology is being purchased from socialist countries.

Hungarian computer software exports have increased by leaps and bounds since 1982. In 1988 we exported 1.3 billion forints worth of software, with a profit of 0.8 billion forints. Most such exports were destined for capitalist markets. Further growth in the computer field is also enhanced by the increasing number of new mixed nationality joint ventures, by planned incentives for employment abroad, and by the continued relaxation of embargo stringency.

POLAND

Economist Debunks Popular Solutions of Demonopolization, Inflation

90EP0035A Warsaw GAZETA WYBORCZA in Polish
18 Sep 89 p 5

[Interview with Prof Edward Budzich, deputy director, Institute of Internal Markets and Consumption, on 7 September 1989, by W. Gielzynski: "I Have Two Ways—Painful and Clever"; place not given]

[Text] [GAZETA WYBORCZA] Outside your windows are two currency exchange offices; today, 7 September 1989, 12,700 zloty for \$1. What will happen to our currency, market, consumption?

[Budzich] It went down? This morning it was 13,000 zloty. And 7 to 8 trillion zloty hangs over the market. Such an excess destroys market stability, if we want to achieve it by slightly increasing supplies of consumer

goods. Large shipments are not forthcoming, from where? That is why I see blackly.

[GAZETA WYBORCZA] Everyone sees blackly, but I would like to hear: what should be done?

[Budzich] There are two ways: painful and clever.

[GAZETA WYBORCZA] I understand that painful is an exchange of currency?

[Budzich] Unfortunately, yes. The situation was similar in 1950. Each person could exchange, let's say, 50,000 zloty for an equivalent value of new currency; and what he had above that for one-third or one-fourth of its value.

[GAZETA WYBORCZA] Are you aware of the social and political consequences? There would be a storm!

[Budzich] Obviously. But that is an issue for the politicians.

[GAZETA WYBORCZA] What groups of the populace would suffer the most?

[Budzich] The poor not at all; they have no savings. The majority of workers, minimally. Office workers, the same. Even mining specialists, management personnel would lose little. Craftsmen, private producers, and, unfortunately, the rural dwellers would be affected. It would be a painful operation, but effective.

[GAZETA WYBORCZA] Then perhaps the clever way would be better. What way is that? How does it work?

[Budzich] Instead of consumer goods, which we do not have and will not have for a long time, the state could put \$1 billion on the market from export income or from a suspension of payments on the interest on our debt, which we will probably negotiate. People will gladly buy dollars instead of goods. In the bank and not from money changers.

[GAZETA WYBORCZA] But with such a supply of dollars, the price will fall sharply!

[Budzich] That is an additional benefit. But it is more important that for a price of 7,000 or 8,000 zloty for \$1 the entire inflationary surplus disappears and we have a normal market.

[GAZETA WYBORCZA] Just that there will still be no goods.

[Budzich] This operation, like any other, would have to be accompanied by a tremendous "supply" effort. But reduced to the extent that the pressure of the trillions that eat every shipment of goods is no longer there. And inflation would practically disappear.

[GAZETA WYBORCZA] What do you think people would do with the \$1 billion?

[Budzich] They will save some in stockings. They will spend some in Pewexes—a benefit for the state's finances. They will invest a little—also a benefit. They will take the vast majority to the Polish Security Bank and put it into convertible-currency accounts. In this way, the state will again be able to use the money; only its debt in convertible currency to its citizens would increase.

[GAZETA WYBORCZA] A perpetuum mobile. Does that not contradict the reforms we expect?

[Budzich] Some expect them; others do not. I, for example, think that command methods are first necessary in order to increase supply. Not waiting, let's say, until the defense industry under the pressure of economic stimuli begins to produce refrigerators, washers, and tractors: order it to do so. A free market, competition, etc., are fine, but only if there are enough goods.

[GAZETA WYBORCZA] You do not believe that rapid demonopolization and promotion of small enterprises will improve the market situation?

[Budzich] They will improve it in 10 or 20 years. For now, they will make it worse. The current commercial structures have their faults, but they have the advantage of being in place; the new ones are not. If a private intermediary enters rural-urban commerce on a large scale, he will compete for producers and raise prices in competition with other intermediaries and not lower prices in competition for consumers.

Given the shortage of goods we have and will have for several years, every product will sell even for high prices. I repeat: the first task is to save the market; otherwise nothing will succeed in Poland, and the people will revolt. Thus, we must deal with the surplus and order producers to increase productivity for the market as long as normal competition is not functioning. Further, we must evolve toward it and rid ourselves of illusions of great leaps and sudden turns.

[GAZETA WYBORCZA] What you say is contrary to the doctrine the new government has chosen.

[Budzich] I am a member of Solidarity and an economist.

[GAZETA WYBORCZA] Thank you for your comments, and I am waiting for cheap dollars at the bank.

PS: The price for the green [dollars] has already declined.

CZECHOSLOVAKIA

Social Impact on Tuzex Vouchers Analyzed

90EC0023A Bratislava SLOVENSKE POHLADY in
Slovak No 8, 1989 pp 123-128

[Article by Josef Alan: "Vouchers—And What They Hide"]

[Text] The vouchers are money. One can acquire them in exchange for foreign currency, but they can also be bought for korunas. Within our country they are good only in selected stores. These (Tuzex) stores, in addition to vouchers—also known as TK, or Tuzex koruna—accept also valuta in payment. The current rate of exchange is one voucher for 4 korunas. In addition to these two kinds of koruna we have also a foreign currency koruna, similarly as we have several kinds of prices (for instance, retail and wholesale). Let's not go deeper into this tangle which may be of advantage to the state but to the citizen remains incomprehensible. Information on the relationship between these units does not tell him anything. He does not know what it means that the Tuzex Foreign Trade Enterprise's annual receipts amount to 3 billion foreign currency korunas, just as he is not helped by the knowledge that anonymous change in Czechoslovak banks represented nearly 800 million korunas in the foreign exchange rate adjustment factor. From this we can derive a hypothesis: the perplexing relations between the indicators of our financial economy reduce the transparentness of social relationships based on them—that is, relationships based on money exchange. If we include the similar situation in regard to prices, we arrive at the assumption that our market is nontransparent to the ordinary consumer.

What is this transparentness good for? Surely the consumer or citizen will get satisfaction from the phenomenal side of exchange relations—from knowing what is lacking but where it can be bought, how much it will cost, what purchase would be unwise, and so on. This is the real plane of his conduct. Seemingly so. The transparent-ness of the world in which we live is the source of the trust we put in it. But if this world is nontransparent to us, the basis of our attitude toward it—as well as of our conduct in this world—is distrust.

So how much money is actually hidden in the vouchers? I was not able to find out. But considering that people spend about 260 billion korunas annually for consumer goods, we can safely assume that the annual Tuzex receipts will not amount to very much. Of course we could track down other connecting links, for instance the structure of the Tuzex merchandise, study its pricing which also ties in with the entire problem, but this is not really necessary for our purpose. Quantitative data are not always the most reliable indicator of a given phenomenon's social significance.

Yet in the background of the interest in vouchers we do find a quantity: the state's interest in acquiring freely exchangeable valuta (popularly, "hard currency"). The

PZO (Foreign Trade Enterprise) Tuzex originated as a small island of capitalism in the vastness of socialist trade, with the purpose of satisfying the needs of buyers in possession of valuta. The needs derived from the standards of capitalist production are translated into interest in merchandise not produced in our country, and disinterest in similar merchandise produced here. The state has difficulty buying foreign merchandise for korunas and therefore "must" sell it for valuta. The result is trading in valuta on our territory, controlled by the state and facilitated by special notes issued to Czechoslovak citizens (who are not permitted to own valuta freely).

Two other aspects have to be added: First, all our citizens display growing interest in Tuzex merchandise and thus in the vouchers; moneychanging flourishes. Second, along with the rise in foreign-currency deficit (in 1981 it reached the lowest negative balance) the state's efforts to reduce this deficit by all means are intensified. This had led to many phenomena which the citizen recognizes or suspects in a fragmentary (thus uninformed) manner: selling merchandise abroad at below-cost price; problematic raw-material exports; strict regulation of imports of consumer goods and food products as well as of technical know-how, introduction of measures designed to obtain more valuta from foreigners, and so on.

This too of course belongs to the area of projections and consequences. The root causes have to be sought in the conflict between our isolationist economic policy devised long ago and today carried on not quite voluntarily, and the deepening internationalization of production, exchange, and consumption. Without going into a deeper analysis (and it would not be one without sociological interest), suffice it to point out the result: the rise of a deficit economy—a system which owing to limited interaction with the external environment and restricted opportunities for an autonomous dynamic growth is characterized by a persistent lag in production and thus also consumption.

As a category, shortage is expressed not only in the fact that a certain product is not manufactured in our country or has not been imported so that it is not available on the market. It expresses also the consumer's attitude toward the product. In equal measure both the product and the consumer characterize the shortage. Orientation toward merchandise not produced in our country is a consumer attribute of a certain social group. The interest in Western products together with their limited import does complicate our market characterized by a chronic shortage of a freely convertible valuta required to purchase these products. Economic isolationism and the accompanying inconvertibility of our koruna—as a consequence of the lack of product interchangeability—is the true source of the trade with money (valuta and vouchers). This trade is carried out legally as well as illegally. The state isn't really that interested in how it is conducted; it is satisfied with getting its valuta and ultimately the people getting the desired goods. Even though the relation between money and product has become complicated it has not been negated. But at what price?

Let us look at the microstructural connections which is the level at which citizens conduct their everyday life. The citizen is interested in other questions than those discussed above. He is interested in knowing what he can buy for money, what he can aim for, how he can acquire money such as vouchers, and so on.

Money is more than a thing and the individual's situation in the market is determined by the amount of money at his command or, more precisely, by the money's purchasing power. As has been pointed out by Simmel, money is immune to disappointment because it lacks quality. While things determine the use of things, the use of money is determined by the individual. But it seems that we have to make a halt here. The sociology of money is inconspicuously but all the more firmly tied to assumptions which are largely inapplicable to our society. Within the context of our discussion at least two assumptions must be noted. First, in a shortage economy things are more than money which is a necessary but not sufficient means of acquiring things. And second, it is the assumption of a free exchange, of a market in which the buyer and the seller are effectively equal and which provides for a free choice and selection of merchandise, the accessibility of which is the function of money. But matters are different in our conditions. Such rules do not determine the buyer-seller relations; the possibility of selection is not just a function of money but rather of the product. The accessibility of products is not determined by the market but by the producer or, more precisely, the plan. Because not even the price is determined by the market, the buyer-seller relation takes shape differently than in conditions of a free exchange. There the social relationship of both parties lies in the function of money, whereas in a centrally planned economic system (and thus a different mechanism of price formation and a weak link between production and market) an additional factor enters into the relationship: the buyer's exchange value. What is meant by that?

Money relations shape a certain type of conduct detached from personal attributes and relations between seller and buyer; it is not important how one or the other looks, who he is, what position he occupies, whether they have friendly relations, or the like. The culture of money relations is determined by their depersonalization. Hence also money can be a precondition of material freedom (the extent of and opportunity for acting in the market in one's own interest), and especially of independence (the extent of and opportunity for avoiding submission to someone else's interest). From this derives also money's potential for power: money can be used to subordinate others to one's own interest.

But our market and the social content of exchange relations is not shaped in this way (prices do not express exchange relations in money, etc.), and for this reason it includes another factor in addition to money: a combination of inducements which the buyer in a given exchange may offer in addition to money. Influence on the market is determined not by the purchasing power of money but by the purchasing power of its owner. Reciprocity on the

market thus includes personal and social attributes. The market becomes personalized; incidental social relations (kinship, friendship) become exchange values.

It has become important in the market who is selling or buying because this is precisely what determines the success of a "voluntary" agreement between both parties. Formally and universally the rules of mutuality and trust are weakened, and replaced by rules of a personal and social dependence which can not (or perhaps only with difficulty and temporarily) be made into a standard. The more successful party in the market is no longer only the holder of a greater sum of money but also one who has greater power. Here we are talking not only of the so-called venal accumulation basing corruption on the principle that "money flows to where power is," but rather of the whole system of nonmonetary exchange relations. Values which enter exchange relations in addition to money and thus acquire an exchange character in themselves, assure a redistribution or substitution of deficit goods. They are thus an inevitable accompanying feature of a shortage economy. We have here a whole system of social relations in which the borderline of what used to be perceived as normal has shifted into the area of social deviation.

Social preferences operative in our market are changing the nature and value of many social relations. For instance, family relationships and personal friendships have acquired an instrumental dimension and owing to the extension of dependency relations did not alter their form but their nature. We observe an expansion of power relations: power not only saves money but also assures that which is inaccessible otherwise and to others, while at the same time procurement of reciprocal services further ensures the power position of its beneficiaries. But not only that. In the sphere which has long been institutionalized as a form of equality—that is, in the sphere of exchange relations—we see a gradual growth and strengthening of unequal relations. In a sphere where influence was determined solely by the purchasing power of money there has been a rise of a system of dependence and pressure ultimately independent of money. Even wealth as such is in a separate category. It is linked not so much with production and exchange but rather with a system of redistribution.

We can now ask how all that is connected with the vouchers. Linked with the vouchers is an altogether specific market—a market for rare commodities. Their ownership reflects above-standard consumption (of course, not in all cases: for TK one can buy also a "Skoda" car). Tuzex represents a monopoly organization in this market accessible only to buyers who have the requisite currency (vouchers). They are in fact a privileged stratum of society. Certain values are not accessible to other members (the majority) of society. This is important in several ways. First of all there exists a market schizophrenia: in some stores one can shop with korunas, in others not. Interest in rare (deficit) goods is expressed by interest in vouchers. They are the avenue to values, similarly as purchases abroad or the black market

which the state cannot control too effectively. Moreover, the black market is not exactly a legal component of the economic system. Hence a "gray market" has emerged which is the socialist economy's unique contribution to the discussion of the so-called limited rationality (which includes for instance questions of the role of the nonnormative category of interests and thus the functioning of interest organizations; the legitimacy of extrarational strategies of conduct such as preferential treatment and bribery; a possible ethic of rational conduct; the process of the so-called commodification—the question of what is becoming a commodity, and so on). These discussions are not beyond our purview because they impinge very intensely on the relationship between morality and economics—whether on the level of the so-called moral economics, or in the area of analyzing phenomena existing on the borderline between moral deviation and economic rationality (for instance prostitution).

The question of vouchers in fact falls into this sphere. It is a situation where "morality pays for the shortcomings of the economy." Among the specific problems which accumulate around the vouchers:

1. A privileged situation of citizens sent to work in foreign (not only capitalist) countries and whose earnings by that very fact are much higher for the same work than at home—and are in valuta. Otherwise, as the Tuzex director explained to a TASS correspondent, "no one from here would go to work in your country." There are other connected issues (rewards and earnings of athletes abroad and their taxation; the policy on honorariums, etc.).

2. The exclusive status of the PZO Tuzex as an organization of the state monopoly of deficit goods. This derives not only from the shortcomings in our production but also from pricing policy: prices are not formed in the marketplace and in Tuzex they are moreover set with a view to the acquisition of valuta (that is, comparable with world prices without wages being comparable).

3. The specific situation of individuals arranging for the exchange of korunas for vouchers, the so-called *vekslaci* [moneychangers]. (Incidentally, "veksel" was once an inexpensive way of acquiring experience abroad; the experience has now changed to goods, foreign country to Tuzex.) The "vekslaci" are working people, facilitating exchange between potential buyers and Tuzex. Hence they are beneficial to the state even though the state lacks adequate controls over the escape of valuta. This kind of exchange is based on the rules of trade, and institutionalization of the relationship between a poor state and rich people. From this point of view the moneychangers are not private entrepreneurs but members of an institution which organizes this exchange. Those we see and with whom ordinary citizens deal are merely executors, distributors. Given the state deficit, a shortage economy and an inconvertible koruna there isn't much of a chance for setting up an organ to struggle effectively against this institution. Nor against speculation which is its logical companion.

4. Thus we arrive at the phenomena routinely classed as social deviations, be it illicit operation (trading under the counter), hoarding (chain trading), gouging (demanding excessive price or interest), speculation (calculating on profit), preferential treatment, corruption, smuggling, and so on. These crop up wherever there is an imbalance between demand and supply, between the buyer's and seller's opportunities, between production and consumption, and so on. The exchange of korunas for vouchers is merely part of the broad array of phenomena directly tied to the working of controls over mechanisms—they are of an ethical or power character.

Finally we must ask what to do about it—the vouchers, Tuzex and the entire cluster of phenomena tied up with them. The state will continue to have at least the same interest in acquiring valuta (also in this manner) as in the past. It is "an objective economic necessity," according to official quarters. As long as we don't attain convertibility of our currency we will suffer from a foreign-currency deficit (we may suffer from it even afterward). Another avenue would be a radical change in production, that is, saturation of the need by our own products. But there will always be above-standard consumption which our output will not be able to satisfy. Then it would be necessary to restructure trade, primarily: expanding foreign trade, reducing radically or perhaps abolishing import duty, expanding exclusive trade with foreign goods (of the ESO [expansion unknown] type) for korunas, breaking the state monopoly by expansion of the trading networks of production enterprises and cooperatives, gradual elimination of the difference between wholesale and retail prices, etc. But all this is tied to the introduction of a different mechanism of price formation where it rests until now. This step will have at least short-term social consequences (an increase in prices and social inequality, inflation, etc.). Nor is a third road sufficiently passable. There remains one more: a change of laws and control systems, introduction of sanctions against groups sponging off this whole situation (money-changers, speculators). This is the simplest but also the least effective way. It hits only, and even then consequently, the surface of social pathology without affecting its roots, from which new "shoots" will grow again and again. After all, the barely 1,000 of Prague money-changers are carefully monitored, their holdings and contacts are well known to the competent organs, there are strong interest groups which would be threatened by their temporary liquidation, etc.

And now I must switch to a personal tone. I ask: Why not begin at least here? If I believe that a struggle should be declared against this group I realize at the same time that I will be accused of a moralizing approach toward reality; I know that the first response will be a radical upsurge in the price of vouchers and deficit goods; I am aware of the possibility of a failure; it is clear to me that a threat to this group will threaten other citizens. But is it really necessary to have "morality pay for the economy's shortcomings"? Is it not an expression of cynicism? Aren't we risking a deeper disruption of social life than

in the case of an acknowledged and even up to a certain time programmed economic stagnation? The gamble being played with our people in a game called "vouchers and quiet" ["bony a klid"—allusion to an American movie—"Bonnie and Clyde"] deserves a deeper and more principled approach than a Frybort picture from the life of the moneychangers. Where "big money" is at stake different rules apply than in the life of the majority of our citizens who can have a look at our version of gangsterism in an appealing movie. By the way—a gangster is a member of organized crime!

POLAND

Military Specialists Needed; Time To Be Served Cut

90EP0030A Warsaw ZOLNIERZ WOLNOSCI in
Polish 19 Sep 89 pp 1, 4

[Interview with Col Zdzislaw Duda, representative of the Polish Army General Staff, by Lt Col Andrzej Medykowski: "A Shorter Time in the Military: On the Changes in Basic Military Service"; date and place not given]

[Text] [ZOLNIERZ WOLNOSCI] In the military community, every few months rumors of a shortening of the period of basic military service or an "equalization of the age cohorts" circulate. Each time, they are denied only to appear again.

[Col Duda] This time things are different. Gen Army Florian Siwicki at a session of the Sejm National Defense Commission told the deputies that beginning in 1991 basic military service will be shortened to 18 months. For now it is just an announcement; soon, however, the necessary decisions will be made.

[ZOLNIERZ WOLNOSCI] Why is basic military service to be shortened in two years?

[Col Duda] It cannot be done all at once. The current restructuring is, among other things, to reduce the numbers in the armed services; but we cannot make them significantly weaker. Particular problems must be solved without harming battle readiness, and we must take economics into account.

[ZOLNIERZ WOLNOSCI] Our readers would be interested in the details.

[Col Duda] For several years, the number of conscripts has been fairly low, and many of them receive deferments for various reasons. Some are performing socially and economically important professions, for example, mining hard coal, running a private farm, working as bakers. Others are studying in secondary schools or higher schools or are preparing themselves for the clergy. Some of the male young people are not conscripted for military service because of poor health.

In all, more than one-third of the age cohort for conscription (age 19) does not enter the military at that age.

[ZOLNIERZ WOLNOSCI] The conscripting military units have a limited choice. In a year or two will the demographic situation change for the better?

[Col Duda] In any case, it will improve somewhat as can be seen in nearly every school above the elementary level, where both the number of the youngest classes and the number of pupils has grown significantly. These common observations are confirmed by the appropriate reports that the number of the conscript age cohort will increase in the next few years and on the basis of these reports the appropriate steps are being taken.

[ZOLNIERZ WOLNOSCI] The size of our armed forces will also decrease by about 40,000 in comparison with the size of two years ago.

[Col Duda] On the one hand, that will ease the situation; on the other, if we assume a shortening of the period of basic military service to 18 months, the need for conscripts will increase significantly. Moreover, we should take into account not only the more rapid flow through of people, but also the need for various types of specialists. Current estimates show that the noncommissioned officer schools and training centers will have to prepare significantly more junior specialists, as much as 50 percent of those needed. The organizers of training for drivers, frogmen, airborne troops at centers of the National Defense League, the Aeroclub of the People's Republic of Poland, and the Polish Motorists' Union have encountered a similar problem.

[ZOLNIERZ WOLNOSCI] And it will cost quite a bit.

[Col Duda] A larger number of soldiers requires greater financial resources. That is not a paradox: the size of the armed forces will decline, but within a period of time, the number of those who serve will increase due to the rotation. The annual need in a system of 24 months of service for conscripts is 50 percent of the manpower of the armed forces; however, in a system of 18 months of service, the annual need increases to 67 percent. The costs of uniforms and personal equipment alone will increase by more than one-third.

[ZOLNIERZ WOLNOSCI] Many of the problems mentioned can be avoided by increasing the percentage of professional soldiers.

[Col Duda] But that solution is even more expensive. An increase in the percentage of professional soldiers to about 40 to 50 percent would undoubtedly be beneficial from the point of view of the military; however, for now the state cannot afford it.

[ZOLNIERZ WOLNOSCI] Meanwhile, we must seek a way out while taking account of the state of our economy.

[Col Duda] Analyses of the utility of soldiers' work for the national economy are being conducted and other

solutions are being sought. They pursue limitations of work performed by soldiers in the current range and forms.

The training programs of military units will be changed, and the system for preparing noncommissioned officers and junior specialists will be reorganized.

[ZOLNIERZ WOLNOSCI] The need for conscripts will increase. In conjunction with this, will the range of deferments be reduced?

[Col Duda] It should be expected that they will increase. At present, a decree of the Council of Ministers on this point is being prepared. There will be a significant easing

in the criteria that influence the giving of conscription deferments, especially for those running private farms; however, the other kinds of deferments will be appropriately reviewed.

[ZOLNIERZ WOLNOSCI] And what about the sole family supporter?

[Col Duda] Because the classification includes a relatively small number of conscripts, the possibility of releasing them from doing basic military service is being considered.

[ZOLNIERZ WOLNOSCI] Thank you for your comments.

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