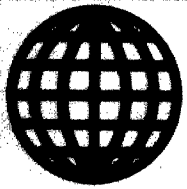


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15 SEPTEMBER 1988



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# ***JPRS Report***

# **East Europe**

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# East Europe

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## ALBANIA

### More Party Control Over Protection of Socialist Property

21000021 Tirana ZERI I POPULLIT in Albanian  
13 May 88 p 2

[Article by Simon Stefani, Politburo member and secretary of the Central Committee of the Albanian Workers Party: "Let the Activity of the Party Organs and Basic Party Organizations Be Further Revitalized for the Proper Management and Protection of Socialist Property"]

[Text] Socialist work and property are two great pillars on which economic development, socialist relationships in production and the entire life of the country, its present and future are based.

On the basis of this consideration, the party has always valued both work and property; it has struggled for the people's education so that they will not only work with discipline and high efficiency, but also increase and strengthen common property and protect and manage it in the best way possible.

The state has made great investments which have been increasing from one 5-year plan to another, it has worked out a complete legislation for all sectors and branches of the economy and culture. We have a great, consolidated and powerful socialist ownership which allows us to develop the production of material goods with great dimensions and high rates, to increase and expand education, science and culture, to improve the well-being of the people and to invigorate the defense of our country.

Of course, this development of social property was not achieved easily, peacefully and by itself. On the contrary, it was achieved by the labor and sweat of our heroic working class, the patriotic peasantry and the people's intelligentsia; it is the result of the correct Marxist-Leninist line which our party followed and is following; and the consequence of the people's struggle against our enemies and evildoers. The further strengthening of our socialist regime and the comprehensive development of our economy are closely connected with the protection of the further development of social property. You cannot avoid this regulation; otherwise, there are very serious and very dangerous consequences.

The great economic and social transformations and the many-sided work of the party have brought profound changes to our people. Today we speak about the new man equipped with new and moral characteristics and virtues, who sees common property as the main source to strengthen the socialist fatherland and to improve the well-being of entire society. Expressions of this new attitude are militancy in work of our people, their efforts to fulfill the plan targets, the spirit of action and savings and the scientific and innovative thought which are

present everywhere in economic enterprises and agricultural cooperatives, in the social-cultural and administrative institutions, in the military units and departments and so forth.

The party and Comrade Enver Hoxha advise us to be realistic and to see the situation with the totality of its contradictions. The socialist awareness of the people is in a state of uninterrupted maturity. There still exist petit-bourgeois remnants; there are disproportions in the political and cultural levels of the people, as well as distinctions in the political and cultural levels of the people, as well as distinctions between mental work and physical work and between cities and villages. The capitalist and revisionist world, which encircles us and its pressure exercised on our country and people, constitutes a source of ideological nourishment for the bourgeois and petit-bourgeois psychology, for the activity of our enemies and evildoers who are trying to spread the spirit of liberalism, to incite deviation and, in various forms, to strike at socialist property.

In those circumstances, the task of the party organs and basic party organizations is to lead and determinately and militantly develop the class struggle in all fields, including the economic fields. We must not close our eyes nor stand passive toward cases of damaging, of abuses, of mismanagement or of plundering of socialist property, even if they are "minor." The matter should be taken into consideration and evaluated both in regard to the economic plan and the political and ideological plan.

Damages, abuses, and appropriations of common property, on a country-wide level, add up to a considerable amount of money and, if we add to this amount the so-called damage or appropriations of small items by some untrained workers, the economic damage becomes even greater. However, this damage becomes greater in the political and educational fields, because it harms the people's awareness, creates anxiety among the others and affects the economic base of the people's government, the moral and political unity of the people. Averting antisocialist phenomena in regard to property means to give society more apartments or means of transportation, to open more work places in order to increase production and so forth; it means the further invigoration of the economic base of the people's government, saving the people from the poisoning of their awareness and keeping them away from violations of the law.

This is the reason for the party to draw continuous attention to this matter, especially the strengthening of preventive work. But, what does prevention of foreign phenomena mean in the field of property or in other directions? What does this require? This requires, above all, a thorough knowledge of their dynamics and origin, the situation in the milieu where they are manifested and, on this basis, a correct determination of the political, organizational, juridical and administrative measures, which should be taken and executed in order to block the path of the creation and spread of damages and

abuses of socialist property. Preventive work cannot be identical in economic enterprises and agricultural cooperatives, in the trade sector and the financial sector and so forth. It has its own characteristics and it should be taken into consideration.

Informing the people and educating them with love for common property, with a socialist attitude and with the desire to protect and defend it has been and still is one of the main directions of the work of the party and of its levers, the social organizations. Today, it is necessary to increase the level of this work, to strengthen its organizing and persuasive character, make it more active and effective toward foreign, antisocialist phenomena, toward common property.

All the people are interested in the protection of property, because it is their common property; therefore, its protection concerns all the people. Those who take the people's property, socialist property, are few; they are persons contaminated by the feeling of private property, by the narrow-minded petit-bourgeois interests. Those also are among our people of various categories and professions. Therefore, the matter is that the sick must be treated and that we cure the sick. The problem of those who are aware that by their activities against common property, they are undermining the socialist regime and the people's economy is a different problem. Those are bandits, thieves and enemies, dangerous elements for our society; therefore, our proletarian dictatorship acts against them with force and severity, on the basis of its laws.

Particular importance, as Comrade Ramiz Alia stressed, "beside the persuasive work, is given to the adoption of effective measures for the safekeeping of property and its proper management, and to the strict monitoring over the work and compensation. Above all, it is necessary to increase the role of social opinion and to create a general atmosphere of incompatibility and of opposition to those phenomena." A liberal attitude toward "petty theft" and toward anyone who takes the people's property must be met more forcefully. The action when various elements, in the presence of citizens, cadres or communists, take materials from enterprises and agricultural cooperatives just as if they belonged to them is inadmissible in our socialist system. Such indifference, fostered by the concept "it does not concern me,"—there is someone else who deals with it," is very harmful; it represents in itself a kind of silent alliance with evildoers and leads to the sacrifice of the interest of society for the sake of petit-bourgeois peace and quiet. Our new man must always distinguish himself by his principled attitude toward work and property. This has been and remains one of the basic criteria for evaluating the level of his awareness and his socialist culture. Living and working with the people, the communists must not allow any action that opposes the laws of the state and our communist morality. Communists and their families must be exemplary and ardent defenders of socialist property and of everything that is created with the labor

and sweat of the people. The word of the communist must penetrate better in the masses and in those milieus where violations of property exist, patiently explaining that the well-being of the people improves through honest work and, as the people say, with the "sweat of the brow." Therefore, whoever seeks to appropriate what does not belong to him, whoever tries to steal the common property, must be brought to face the people's moral pressure and be forced to abandon the wrong path.

The party organizations must be at the forefront of the work to prevent damage to common property. Last year, analyzing party directives concerning common property, the party organizations made discussions, drew conclusions and determined tasks of which a great number were executed. But, what happened after this? There are party organizations and party committees which have not monitored the execution of the tasks regarding the strengthening of vigilance and state discipline regarding the proper management of property; therefore, many issues did not progress properly. This manner of abandoning work halfway must be corrected without delay.

The party organizations must properly orient and direct all levers; they must activate them, mobilize them and control them more. Without a single work front led by the party it is not possible to avert and eliminate antisocialist phenomena toward common property. Great tasks are assigned to social organizations, the Democratic Front, the Trade Unions, the Youth Organization, the Women's Organization and the War Veterans and Labor. They must reinforce education and see that everywhere—in work centers, agricultural cooperatives and city quarters—people organize debates and increase criticism in regard to those elements who take property or who seek to profit illegally. It is necessary that they monitor the reaction of every member of their organizations toward work and property; they must organize and further promote the social control so that, together with the worker control and state control they are weapons in the hands of the working masses, to strengthen regulations and discipline in the protection and management of property and in the execution of state regulations and laws.

In our state organization, the state and economic organs have great prerogatives and tasks regarding the protection, development and proper management of socialist property. Regardless of the concern observed in their work, there are many manifestations of bureaucracy. Studies, analyses and recommendations have been made and decisions taken, but the issues have not been dealt with thoroughly. This fact shows that in certain work and production centers necessary documentation has not been established according to requirement. Carelessness and negligence have been observed in the selection and placement of people in positions with material responsibility and in the monitoring of the entry and exit of people and of materials in the production enterprises and in the activity of organisms of internal and external

control. Weaknesses exist in organization and management, because we still have inefficient cadres who have not progressed at the pace required for our development. Without eliminating these shortcomings and mistakes, it is not possible to solve the many tasks concerning the strengthening, development and protection of our social property.

The organs of justice and [of the Ministry] of Internal Affairs have a special role in the struggle for strengthening, developing and protecting property. The real measure of their work must always be the reduction of cases of crime in general and especially in the field of the economy, and the discovery, on time, of every penal act. The neutralization of hostile and malevolent activity and the strengthening of the socialist juridical system. The more effective, rapid and alert the work of these organs is, the lower the damage to property will be, and the smaller the field of action for evildoers will be. The struggle for the protection of property and the timely discovery of evildoers must be considered by these organs as an important task with a political character.

Party propaganda has its own important place in the struggle to prevent foreign manifestations, damages and abuses of property. It must strike strongly at them and must generalize the good experience and proper, cultured management, as stressed at the Fifth Plenum of the Party Central Committee. However, the cultured management of production demands that technology, mechanization and new scientific and technical methods for the development of progress in the economy, be raised to a higher level and that there be a knowledgeable scientific administration of material values and of all social property. We have the opportunities for such a thing, because, above all, we have a great army of cadres with intellectual potential, trained by the party in schools, in work and in the daily struggle for the building of socialism. It is essential that the cadres, as they work and sweat for the production of material goods, put themselves better in the forefront of their duty to protect and properly manage what is produced, the entire socialist property.

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### **Kadare on West Europeans' Impressions of Albanians**

*21000022 Tirana ZERI I POPULLIT in Albanian  
17 Apr 88 pp 1, 3*

[Article by Ismail Kadare: "When They Speak About Your Country"]

[Text] From the group of writers—

When you are in foreign countries on temporary assignment, as a member of a delegation, on training purposes, as a student or a visitor you are very keen about anything that is written, spoken or seen on screen about your country.

The impression about this changes often: sometimes it seems that not enough is said, sometimes, too much, and, little by little, you come to the conclusion that our fatherland is spoken about more today than in the past, but still it is not spoken about as much as one would like.

The name of Albania is often mentioned in Europe, as well as on other continents. Albania is referred to in newspapers, books, radio broadcasts and on television, street posters, squares and public establishments, for example Skenderbeg Street, Albania Square, Albania Hotel, Shkoder Street, Durres Street, Tirana Coffeehouse, Skenderbeg Square, Marko Bocari Metro, Albanians' Place and so forth. It is referred to, especially, in people's conversations and in their most numerous and varied questions. They are characterized by affection, naiveness, good understanding, misunderstanding, enthusiasm, skepticism and even something which usually is more rare: malevolence.

And all this is natural for a world where the most different and contradictory ideas and actions meet and clash and where there is no dominant unity of thought, but disunity in the political and social milieu.

What foreigners want to know about our country is a very broad and varied picture starting with the climate, land structure, the origin of our language and people, the educational system, the wage system, the beaches, socialist realism, demography, medieval icons, race and so forth. The other more confusing questions usually come after the first ones, such as: what is Albania's view on today's world? Is it a fact that your Constitution prohibits you from receiving credits, and what is the main reason for this? What are the recent developments in your country's foreign policy? When Enver Hoxha and Khrushchev clashed in Moscow in 1960 was their conflict based on ideological matters, meaning doctrinal matters, or in matters regarding national independence? What can you tell us about the issues raised by your president Ramiz Alia in his recent speeches?

This is what foreigners ask. Then, the person facing them, even if he is not an official representative or a member of a delegation, nevertheless, feels himself to be a representative of his country and understands that what he knows about his country needs to be supplemented, because the reality and history of his country is deeper and broader than what he had known them to be. And, within himself, this person pledges that the next time when he will come back to the discussions left in the middle he will know to speak more and, the most important, to speak much better.

Discussing Albania is an old subject.

At one of the medieval castles of the Loire, which are the most famous castles not only of France, but also of all Europe, in a large reception room, there is the portrait of Skenderbeg among portraits of the best known people of the period. The name of the painter and the time it was

placed there are unknown. It is possible that the portrait and its exhibiting in the reception room of the castle belong to the time when the hero was alive, when his name was in the discussions of the day in the royal courts, chancelleries and castles in Europe.

In one of the reception rooms of the castle, where guests from far away countries would come and warm themselves on winter nights near the fireplace, it was natural to discuss the silent personages whose portraits would look at them from the walls of the room where they were hanging.

Visiting the castle today, it is not difficult to guess the evolution of discussions about Skenderbeg during the centuries when his portrait was there.

If I am not wrong, this is the portrait of famous Skenderbeg? Yes, sir! Now, it is in fashion to have Skenderbeg's portrait everywhere. This is understandable as long as he is in the front line against the Ottoman waves. By the way, do you have news from there? There is news, sir; but it is bad news. The Ottomans are preparing to invade Europe. I am afraid that this will happen after his death. I have heard that people from the entire continent have asked to go there as volunteers. That's understandable. That is the threshold. And, it is not surprising that he has been proclaimed the paladin of the continent.

One hundred years later: what news do you have from there? This news is disturbing, sir! The Ottomans are moving toward Austria. They say that the sultan has pledged to build a mosque in Vienna. That what my grandfather used to say is being realized. What misfortune for us it would be if the [Ottoman] wave is not stopped. This portrait on the wall is that of Skenderbeg isn't it? Yes, sir! Is it true that his son tried to revive the Albanian resistance? I know nothing, sir! The only thing I know is that the Albanian castles have been razed for a long time and that country does not exist any more.

Two hundred years later: what a beautiful reception room you have. I have the feeling that I know this portrait. It is that of Skenderbeg, my lord. Oh, Skenderbeg. If I am not mistaken, he had two names, one Islamic and the other Christian, Gjergj Kastrioti. Yes, my lord. And now, that affair ended and was forgotten a long time ago. As the saying goes: sic gloria mundi. That country was wiped out and its people with it. This is how people go away. Sometimes even their memory disappears. God, as if it had been a dream. I wonder, my lord.

Two hundred more years later: Attention please; ladies and gentlemen: this room which you are visiting is the main reception room of this castle. As you see, on the wall we have the portraits of the most famous men of the Middle Ages, French, Spanish, English, Italian, German and Albanian....

A voice: Is this Gjergj Kastrioti? When I was in Albania as a tourist, I saw his statue at the main square in Tirana. In socialist Albania? Yes, sir.

Often it happens that Albanian civilization and culture are better known and more appreciated than one might think.

I am invited for lunch by the leadership of the Swiss Writers Union in Zurich. Their knowledge of our literature surprises me. They are preparing to publish, in German, a collection of short stories by five Albanian authors: Migjeni, D. Agolli, I. Kadare, R. Qasja and V. Kreshi.

The restaurant in which we are is situated in the old part of Zurich. The area around us is covered with varied memories. Next to a door there is an engraved marble plate showing that Goethe had lived in that 3-story house for some time. Further down the street is another commemorative plate with the inscription: "Lenin, the head of the Soviet communists lived here." No more than 50 steps away is a low building where the German and Swiss Dadaists had proclaimed their manifesto for the first time. Some time ago two of them, who were still alive, published their memoirs and, as it often happens with speculative memoirs, it is not difficult to understand that both were lying, especially when referring to Lenin, who, according to one of them, was so enthusiastic about the Dadaists that he used to come often to attend their noisy celebrations while, according to the other one, Lenin disliked them so much that many times he had asked the police (!) to stop their noise. Not far from the Dadaists there is the coffeehouse where Joyce liked to come; and, to complete the picture, nearby is the residence of Marx Frisch, the most illustrious Swiss writer, whom we intend to pay an afternoon visit.

It happens that European cities are so much filled with layers deposited, gradually, over the centuries, so that it seems that there is no more room for anything else. And, nevertheless small countries like ours manage to provide as modest a space as possible in this very dense memorial landscape. The name of Albania, an event in the country, or the achievement of an Albanian, manage to establish themselves on the century-old brass, with the same difficulty as the grass encounters in growing on a rock. Sometimes they are shown in tables, sometimes not.

(Such is, for example, the area around the Place de la Concorde in Paris. No more than some hundreds of meters, it takes one of these scenes, where parts of dramas that had shaken not only Europe but the whole world were played. The place itself has seen the heads of the French monarchy rolling under the guillotine at the center of the place. As an irony of fate, nearby is the Crillon Hotel, one of the most expensive on the continent where, even today, kings like to stay. On the list of customers for the year 1930 you may find the name of King Zog. Two steps away in the Castiglione Street there is the other luxurious hotel, the Continental, in front of

which Avni Rustemi murdered Esad Pasha. And, here is the beginning of Rivoli Street where, in one of its shops, Charlotte Corday bought the knife with which she murdered Marat.

Blows and counterblows. Clashings of systems and epochs. To climb up to this very narrow scene in order to raise a new exploit from those that are remembered and sung in folk songs is not an easy task. Still there is no plate; but, perhaps in the future, when the truth about the history of the people in the world will be better known, then no doubt there will be more testimony.)

But, let us come back to Zurich. The main theater of the city, where a meeting is taking place on the occasion of the presentation of the novel, "Dimri I Madh" [The Severe Winter] in German, dedicated to Albania and its culture, is located precisely in the old zone which is full of memories. The actors are reading the scene of the meeting and of the last clash between Enver Hoxha and Khrushchev. The auditorium is filled with people and the presentation is given in a third language, in German; the replies which were translated into two other languages many years ago now belong to history.

After the reading, the talk on Albania becomes broad, beautiful and passionate. It is carried out in two languages, in French and German; and this is not an obstacle, because the majority of the people speak the two languages.

Books on Albania are not rare in Swiss libraries, especially in Germany. In Munich, Stuttgart, Hamburg or Berlin you can find dozens of publications and studies on the Albanian Middle Ages, on the Albanian language and Albanian history, customs, struggle and the tragedy of the Albanians. The thirst of the public to know more about present-day Albania, through films, books and music, is natural.

The young German intellectuals are happy when they hear that the Albanian culture is grateful to old German scholars for their deep studies, especially on the language, history and oral poetry of the Albanians. Among the youth there are many who know our language well, a fact which promises that they will continue this beautiful tradition. Help us to know you better, said one youth, stressing the desire to know present day socialist Albania better and more accurately.

The request is justified because it happens often that various gaps in foreign encyclopedical publications are filled with other sources, often inaccurate and sometimes hostile.

Just as talking with friends is enjoyable, a dialogue with people who, behind their smile and politeness, hide only a sack of prejudices is boring.

It is easy to talk, from the first meeting, with the great Greek producer, Kostas Gavras, who lives in France. He understands present day Albania very well (as a French film director, he has helped in the presentation of our films in Paris) and so forth; he also knows eternal Albania well.

I remember this legend which my mother used to tell me about when I was a child; he tells me about Doruntine, which he has just finished reading from French. He speaks about it without any complex; as a matter of fact, he wants to make a film precisely on this book based on the Albanian version of the legend. Undoubtedly, he feels good when I tell him that, as I wrote the book, I feel it my duty to translate it for the Albanian public from the Greek version in which Doruntine is called Areti.

Good understanding, as any natural tendency of the people, is easy. However, the desire for it does not always exist.

Albania will participate in the Balkan Conference?!

As soon as the French press announced it, this question was posed at a big dinner in Paris. For the real friends of our country this action is natural, normal and in conformity with the interests of the country. For a category of people, those who like to be excited all the time by sensations, the news is unexpected. But, there is a third category of people who do not like this at all. For a long time these people have calculated the contrary. They have prepared articles to attack Albania "after it occurs" (meaning the much-expected news of non-participation). They had selected the formulations, epithets and accusations.... And, unexpectedly all this aborted in their hands.

There are those people who are allegedly anxious about the "isolation of Albania"; while, in reality, they have rubbed their hands after each blockade of Albania and have wished only isolation and blockade for this country; they have played like jugglers with the words "open" and "closing," hoping that with this small-minded stratagem they will create degeneration, suggestions and all kinds of obstacles on its path.

Among them there are professional provocateurs who, regardless of the names on their calling cards, it is not known whom they serve. These masters of distortion are capable, from an ordinary writing or a dialogue, of building complete castles suitable to their interests.

Fortunately, the space of their activity is becoming more and more narrow. True friends and honest and upright people do not need to channel their thoughts and feelings into provocational schemes and terms of the abovementioned type. In the final analysis, friendship and good understanding among people is needed more than anything else.



## BULGARIA

### Interior Ministry's Journal Studies Militia's Economic Role in Pleven

22000077 Sofia NARODEN STRAZH in Bulgarian  
27 Jul 88 pp 1, 3

[Article by Lidiya Andreeva: "New Approaches and Organizational Forms"]

[Text] Two years ago the leadership of the Economic Administration of the People's Militia directorate [DNM] undertook to reorganize the economic services of the People's Militia [NM] into a single controllable body. In this connection, priority was given to problems of the structure and organization of the work of the economic service, the leading function of its chief, planning, registration and control of signals, prevention and evaluation of activities of individual operatives.

On a monthly basis the Economic Administration issues to its services a so-called "express information" on the condition of the work in the economic area. The data in the latest information indicate that the highest indicators (with the exception of restoration of damages) were those of Pleven. This trend became apparent as early as the beginning of last year and is continuing. Without mentioning any figures, let us point out that the number of solved crimes and damages has increased. The department is first also in terms of the most important criterion in assessing its work: the workload of the individual operative. On a national average, there are five solved crimes per operative, compared with ten in Pleven.

In themselves, enthusiasm and the desire to be successful cannot bring about an upturn in the work. For that reason, our discussion with Major Nikola Ivanchev, the chief of the department, started with what was accomplished in order to create an efficient organization of the work.

"For the past 6 years I have commanded the department," Major Ivanchev said. "I believe that I have found my proper place as a leader. Actually, I tried to implement the recommendations of the economic administration, which were issued 2 years ago by its chief, at the conference in Shumen. The structure of our department is essentially not different from that of the same type of services elsewhere in the country. I do not know what my colleagues are doing but here we tried to apply the instructions which were issued in accordance with our specific circumstances. We enhanced the role of the middle management cadres and increased our exigency toward the individual operatives."

The department has two sections: "Industry and Construction," commanded by Colonel Litvin Aleksandrov, and "Agriculture and Trade," commanded by Colonel Petran Binakov. They are both leaders and practical workers. The department chief is directly in charge of

several operatives who struggle against negative phenomena, such as corruption, bribery, illegal trade, unearned income, etc. The department gives theoretical and practical help to the operatives of the rayon administration, who work on the basis of the territorial principle.

"We decided," Major Ivanchev went on to say, "not to classify the RU into "yours and mine." This is to avoid subjectivism in our evaluations. For that reason we "divided" responsibility along the separate lines. I have given the right to section heads, should the RU report a more severe crime, to evaluate for themselves whether they will work on it personally or assign it to anyone of the operatives in their section or else will systematically help the operatives of the RU in this case. Every quarter we make a comprehensive survey of the situation of the struggle against economic crimes at the RU.

"Every Friday, between 4 and 6 p.m., department sections and operatives for whose work I am personally responsible report to me on the implementation of their tasks. At a short meeting every Monday I issue the assignments for the week. At that point I also study the main problems which will be decided by the individuals and record them in a separate notebook. After that I personally control their execution. I try to develop the type of situation in which the operatives will not conceal problems either from the chief of the section or myself. However, this problem has not been solved by the RU, because of the distances involved.

"After the Shumen Conference we developed a system for issuing control sheets on reports on crimes received openly and on the basis of investigations. This system yielded very good results in terms of observing work deadlines based on reports, particularly those we receive from the prosecutor's office. This also helped to improve legality."

In our discussion we dealt also with the workload of the individual operatives and the main criteria on the basis of which individual work is assessed under specific Pleven conditions. This is done semi-annually. With the new economic conditions, the first indicator (naturally, there are others as well) is the number of detected crimes; the second is the activeness displayed in the struggle against negative phenomena. The more active during the first 6 months of 1988 were Senior Lieutenant Milcho Bobevski, who solved 31 crimes; Senior Lieutenant Ivan Petkov, 27; Captain Van' o Todorov, 24; Senior Lieutenant Chavdar Nikolov, 18; Major Anton Petrov, 17; Senior Lieutenant Atanas Gospodinov, 14, etc. "We have no poor workers, everyone is ambitious," Major Ivanchev claimed. This is indeed the case. In the final account, however, the average workload is 10 solved crimes per operative. This means that there still are those who "borrow" cases from those who are more industrious.

We also exchanged thoughts on the place, role and tasks of the operatives under the conditions of the further restructuring and changes occurring in the economic mechanism.

Colonel Litvin Aleksandrov: "We concentrate our attention on exposing and documenting malicious crimes, thefts, irresponsibility, fictitious implementation of plans, etc. We are interested in the new forms of crime."

Senior Lieutenant Milcho Bobevski: "One can feel, since last year, that we are decisively fighting against the old stereotypes of work but that we have still not eliminated them entirely. We must increase our information function. Our information, particularly the daily one, is still not outstripping events. Prevention is also formal. I, for example, have exposed the greatest number of crimes. But if I am asked why I have allowed such crimes to occur, I do not know how to answer...."

Captain Van'o Todorov: "We must keep track of all changes in the economy. This calls for the study of the promulgated laws. I am concerned with the fate of the prevention councils which, for the time being, are only a formality."

Reserve Colonel Vasil Bozhkov: "As a method for evaluating the work, the currently approved criteria have long been suggested and used, to a certain extent, by the department's leadership. I think that we can help turn the protection of the economy from encroachments into a real feature of self-management. This applies to prevention as well."

We do not believe that we have covered entirely all problems with these talks. However, even this indicates that the economic department of the oblast MVR administration in Pleven is increasingly seeking new approaches and organizational forms.

[Box, p 3]

**Commentary by Colonel Zdravko Muchinov, Deputy Chief of the Pleven Oblast MVR Administration for the People's Militia**

The personnel of the economic department has made a major leap forward in the struggle for protecting the economy from crimes. This is the result of the improved organization of the work and increased personal responsibility of the operatives and interaction with the remaining militia services and, particularly, the investigators. Under the conditions of a broadening democracy and glasnost, the prosecutor's office helps to strengthen legality. We have not received reports of illegal actions committed against citizens. We feel a change in the thinking and work of the departmental personnel.

However, we have problems as well. The workload has not been distributed evenly among the operatives. The rayon administrations are our weakest spot. Their leaderships do not show sufficient interest in the problems. The economic operatives in these departments are less well trained and have less work facilities. They need greater assistance. How else can we explain the fact that there has been no profound study of the current situation in industrially strongly developed areas? We must study structural changes and new technologies and accordingly organize efficient operative investigative activities and provide comprehensive protection of the economy from crime.

05003

## CZECHOSLOVAKIA

**Mlynar Finds Prague Spring Still Relevant**  
*23000146 Vienna WIENER TAGEBUCH in German*  
*Jul/Aug 88 pp 21-24*

[Article By Zdenek Mlynar: "Perestroyka and the Tanks in Prague"]

[Text] The Prague Spring of 1968 certainly has passed into history—but it is by no means dead history to be buried in textbooks. Today, more than ever before, the discussions about the true significance of the Prague Spring involve emotions, because they are seen in the context of today's political problems in conjunction with the Soviet perestroyka and touch upon the interests of the ruling powers, particularly those in the CSSR. Opinions differ about the overall meaning of the Prague Spring, about the individual stages of its development and about the specific ideas and actions taken in those days. There is, in fact, a need for an open and critical discussion on this subject; when it takes place, the Prague Spring turns into a legend for some, while for others it becomes a nightmare. The present political leadership of the CSSR does not permit that type of discussion; nor does it take place in countries which in these days sent their soldiers to fight the Prague reforms. Nonetheless the relationship between the Prague Spring and the political program of Soviet perestroyka is obvious, and no unprejudiced observer can ignore it. I believe that there are at least five specific areas in which the conformity between the political program of CSSR's reform communists of 1968 and the program areas of Gorbachev's reform policies becomes obvious.

First: The present economic-social policy system in the USSR is the result of the specific historic conditions of the 1930's and 1940's—and certainly not an incarnation of socialism's "uniform natural laws." These principles were disregarded in Prague in the 1960's; Gorbachev recognized this in his speech to the Central Committee of the CPSU in January 1987.

Second: It has been established that the system of directive control of the economy is not capable of guaranteeing its growth, and that it is unavoidable to implement a basic economic reform policy which would open qualitatively new connecting paths between markets and planning. However, to enable the economic reform to achieve developmental growth, it must be accompanied by political reforms. This was accepted by the leadership of the Communist Party of Czechoslovakia in 1968, and by the CPSU in 1985.

Third: A political reform must be tantamount to democratization, because without the latter it is possible neither for society to gain control over decisionmaking and its implementation by the bureaucracy, nor for the people to develop initiatives in public life. The key to democratization is, on the one hand, a democratization within the ruling communist party and, on the other hand, freedom of speech and the opportunity to voice a variety of opinions without hiding the truth. This was implemented in Prague in 1968—unfortunately, in an unbalanced manner and without attention to the mechanism of democratic institutions, which were not yet functioning. The same objective guides the basic changes in the USSR, described by the word "glasnost."

Fourth: Efforts are made to recognize the work collective as an important political subject and to make it the source of certain forms of self-determination in socialist enterprises. Such concepts were much more clearly expressed in the CSSR than they are today in the USSR, where emphasis is being placed on the right to elect plant managers, sometimes disregarding other elements of democracy. But the basic similarity is certainly there.

Fifth: The 1968 Prague reform program, as well as Gorbachev's programs of today are identical in being based on the principle that political reform is to bring about a constitutional state with all its appurtenances: the principle of shared authority, an independent judiciary, new laws defining the relationship between the state and its citizens, law enforcement, subordination to law of all governmental and a management agencies, etc.

Despite everything, the official evaluation of the Prague Spring remains the same in today's Prague. There is constant repetition of the half-truths and outright lies contained in the so-called lessons from the year 1970. This is understandable: at stake are the personal interests of the top level leadership of the CSSR which, by revising its attitude toward the events of 1968, would at the same time have to admit its own responsibility during the past 20 years for its antireform, reactionary politics, the so-called normalization.

However, there is no official evaluation either of the Prague Spring on the part of Gorbachev or any other representative of perestroika. There are merely a few odd remarks to the effect that the events of those days concern only the Czechoslovak comrades, that there was "chaos" during the Prague Spring, etc. The official

Soviet newspapers reprint abuse emanating from Prague without commentary and sometimes even reinforce them with statements of their own. But they are silent about the fact that the Italian communists have entirely different views about all this and that left wing organizations and publications all over the world speak openly about the close relationships between Prague Spring and Perestroika.

This too is understandable, because here too there are current political interests. It is easier, obviously, to rehabilitate someone like Bukharin, who was executed 50 years ago, than to admit that the still-living reform communists of the Prague Spring had ideas similar to those of the authors of the "new thinking" in the USSR. No one likes to admit solidarity with predecessors who suffered defeat. In this context, we might mention that not even Dubcek and his friends admitted to any relationship with Imre Nagy, or that a number of their ideas had previously been formulated by "revisionists" and "enemies of communist"—starting with the executed members of the anti-Stalinist opposition, continuing with Tito and ending with the protagonists of 1956. That's the way it goes in the world of politics, and there is no use getting excited about it.

Today the problem is quite different. Dubcek and company never sent tanks against anyone. But the Prague spring was killed off primarily by foreign tanks, without which no "normalization," symbolized by Husak and Bilak, but also by Jakes and Foytik, would have been possible. The crux of the matter now is whether or not the representatives of perestroika have enough courage, power and political latitude openly and publicly to distance themselves from the military intervention of August 1968.

So far this has not happened. The agenda for the Nineteenth Party Conference which takes place in late June in Moscow, contains no clue that the entire problem area of relations between the USSR and those countries which also subscribe to socialism and communism will be described other than with empty proclamations and beautiful words.

This article was written prior to the Party Conference, and should things change while it is in progress, I will gladly perform self-criticism. However, indications are that perestroika is sidestepping a critical analysis of relations with the smaller countries of the Soviet bloc and takes refuge in noncommittal phases.

The attitude toward the August 1968 intervention is particularly important because it represented only the top of an iceberg, specifically the longstanding Soviet practice of repeated suppression of all efforts to find an independent road toward socialism. There is a need for a critical analysis of the policies which during the years of the Cold War obliterated the original concept of a "people's democracy" and replaced it by force with a Soviet model in the European countries of the Soviet

bloc. Especially needed would be a critical analysis of the sovietization of Poland by force; or course, the excommunication of Yugoslavia; the intervention in Hungary, as well as the Sino-Soviet conflict from 1959 to 1963. Finally, there should be a critical examination of the Soviet leadership's real role in the developments in Poland in 1980 until the military regime came to power in December 1981.

The Soviet leadership has not touched this problem area with a 10-foot pole to date. Any recent criticism of former Soviet foreign policy has to date been restricted to the relations between East and West, and particularly to the fact that the USSR permitted itself to be drawn into the arms race and the frequent failure of guaranteeing the security of the state by political means. Not one word is said about the fact that military resources were wrongly used to block any specific approaches to the solution of problems affecting socialist development.

Gorbachev has declared on several occasions, most recently during his recent visit to Yugoslavia, that every country is entitled to pursue its own development—that, he said, is one of the principles of Soviet policy. But even if the Soviet leadership adheres to this principle, this does not eliminate the sad truth that the right to individual development is today being granted to stunted recipients. The official political structures, and therefore the communist parties, in the smaller Soviet bloc countries, notably including the CSSR, have been so severely crippled as a result of violent Soviet interventions that today they are no longer able to initiate the necessary changes on their own initiative.

Even under the Khrushchev regime, after the CPSU's 20th Party conference, the changes in Soviet policy produced the "threat" in the smaller block countries of a radical democratization and thus of a loss of control from "above." The so-called events in Poland and Hungary served as good illustrations for this. It is logical that the Soviet leadership has been fearful of similar happenings since then. But now after 30 years of violent suppression of an independent search for socialism in those countries, the opposite danger seems to be threatening: That the leaders of the crippled communist parties give lip service to perestroika while actually sabotaging it, in the hope that Gorbachev is a transitory phenomenon which they will survive. An open disavowal by the Soviet leadership of August 1968 intervention would be significant not only for further developments in Prague. It would give impetus to the credibility for the "new political thinking" in Soviet foreign policy; to a potential development of Europe into a community embodying different systems and it would have significance also for developing the relations between the states which opt for socialism. Sooner or later the Soviet leadership will have to decide whether or not it permits independent development in the smaller Soviet block states. The differences could be considerable—even by comparison with Gorbachev's reform

policies. Even today we can perceive the order of magnitude of these differences by looking at Poland: there the crisis cannot be resolved by merely copying Gorbachev's reforms—in the political and economic areas it will be necessary to implement much more radical reforms of the existing system. Hungary too is today much closer to a "spring" of its own than to the task of adopting Soviet Concepts. On the other side there are Berlin, Prague and Bucharest, which, for various reasons, are not ready to democratize to the extent that has already become reality in Moscow today. If the Soviet leadership is interested in improving the situation for its own reform politics, it would do well to put some distance between itself and the August 1968 intervention. This intervention is after all considered a political mistake by now—at least in many historical and sociopolitical institutes in the USSR. During a radio broadcast discussion in Budapest even the official party representatives distanced themselves from it. Should the Soviet leadership continue its silence and act as though there had been no tanks in August 1968, it would damage its own future situation. It would thereby reinforce the position of those who are anti-perestroika in the Soviet bloc. Indirectly, it would justifiably be seen as weakness and inconsistency on the part of the reform politicians in Moscow by adherents of perestroika in those countries which are already practicing some form of reform politics today.

This would further highlight the Soviet leadership's failure to conduct a real dialog with the West European Left, which is so greatly desired in Moscow. Practically nobody in the ranks of that Left shares the view which is still being touted in Prague, that in 1968 the CSSR was faced with a "counterrevolution." On the contrary, there is a widespread view that the Prague Spring is part of the root of perestroika. So long as the representative of the "new thinking" in the USSR fail to take a critical view of the military intervention of August 1968, they will be unable to conduct an objective and critical discussion of a number of questions in which the Left in the West is highly critical of the former Soviet hegemonic politics.

Obviously, Gorbachev and his leadership have the right to determine the priorities of their policies. Afghanistan is no doubt one of those priorities, as is the demilitarization of relations between East and West. But among the bitter pills which the representatives of the "new political thinking" will have to swallow sooner or later, is the Prague Spring and its violent suppression by the Soviet Tanks.

9273/12232

## POLAND

**Trade Cooperation With Ukraine**  
*26000537b Warsaw TRYBUNA LUDU in Polish*  
11-12 Jun 88 p 2

[Unattributed article: "Cooperation With the Ukraine"]

[Text] Warsaw was visited by a Ukrainian delegation under Ukrainian Minister of Services Anatoly Gilo. The

delegation held talks about the activation and differentiation of forms of cooperation with the Soviet Union's economically second-strongest republic. The Ukrainian guests sought to increase cooperation in consumer services with Poland's border voivodships and neighboring districts in the USSR. The delegation also spoke with Domestic Market Minister Jerzy Jozwiak at the Polish Chamber of Foreign Trade, with several foreign trade firms, and at the Historical Monument Preservation Workshop. The Polish Chamber of Foreign Trade and the Ukrainian Chamber of Commerce and Industry signed an agreement on cooperation.

12261

### **Tanzanian Revolutionary Party Delegation Received**

*26000533d Warsaw TRYBUNA LUDU in Polish 16 Jun 88 p 2*

["RPT Delegation in Poland"—PAP report]

[Text] Poland was visited by a working delegation of the Revolutionary Party of Tanzania, headed by Adviser to the RPT Central Committee Secretary for Propaganda Wilfred Ligubi. The delegation included the deputy editors in chief of UHURU, the periodical of the RPT, and of the government DAILY NEWS, Saidi Mguba and Crispin Mdimi. The delegation was received at the Foreign and Propaganda departments of the PZPR Central Committee and at the Press and Information Department of the Ministry of Foreign Affairs. In Czestochowa, Katowice, and Krakow the delegation familiarized itself with problems of the ideological and propaganda work of voivodship PZPR committees.

At the Polish Journalists Union the delegation held talks with its Chairman, Artur Howzan. It also toured the editorial rooms of TRYBUNA LUDU, GAZETA KRAKOWSKA, and TRYBUNA ROBOTNICZA as well as the "Dom Słowa Polskiego" Graphics Works.

1386

### **Reevaluating Lenin To Form New Politico-Economic Model**

*26000595 Warsaw LAD in Polish No 29, 17 Jul 88 p 16*

[Article by Jacek Maziarski: "Could Lenin Have Erred?" under the rubric "The Wheel Comes Full Circle"]

[Text] I probably encountered the name of Adam Schaff for the first time while still in secondary school; at any rate to this day I remember his brochures proclaiming the revealed truths of Marxism-Leninism. This happened in the late 1940s or early 1950s. You can thus imagine the nature of those booklets.

Schaff's name gained a new renown in the late 1960s when special party meetings were organized in factories for the working class to angrily condemn the philosophically erroneous concept of alienation. I attended one such meeting and thought that I would die of laughter (and one could only laugh silently, to oneself, so that no one would notice). Not one of those present there had read even one book by Schaff, and no one knew what that "alienation" was about, properly speaking, but everyone unanimously voiced the opinion that there is no room in Poland for bearers of hostile views and that Zionists should emigrate to Siam [as published].

As usual in this country, the Schaff affair had a strange ending. Supposedly he fell in disgrace and emigrated, but to Vienna, not Siam, and not quite, because he often visits Warsaw and it appears he may even have a residence in this country. He continues quietly to publish his philosophical-Marxist "readers," with which he is unusually content. Here is what he said about himself in an interview granted last January to the Poznan weekly WPROST: "Everywhere over there (in West Europe and Latin America) I am, without boasting, considered number one or, let us say, the pope of Marxism." Just consider how nice it is that our number one has despite everything retained his modesty and this time did not boast.

It had seemed to me that this man could no longer surprise me in any way, and yet.... The Krakow ZDANIE (No 4/5) published the following comments by Schaff: "I feel deeply convinced that but a short time will pass before we shall begin to criticize various ideas of Lenin. Lenin was a man of genius, and certainly a great tactician of the revolution. But suffice it to read his work "The State and the Revolution" in order to conclude that he did not know what he was talking about, or was wrong from beginning to end, because not even one thesis of his book has been proved. If there are to be any forbidden books at all, it should be one of them, because it harms Marxism-Leninism."

Having read these monstrous, blaspheming statements, I crouched expecting something horrible. Perhaps lightning would strike from the clear skies, or perhaps Historical Determinism itself would stamp its foot and the earth would collapse under me and that scandalous article, or perhaps a censor brandishing scissors would rush in and snip off the article—together with my fingers? But nothing happened. The sun shone, life went on, and people busied themselves with their affairs without even noticing that yet another act of the Gotterdammerung took place. Likewise, when Schaff's blasphemous comments were reprinted by the large-circulation PRZEGLAD TYGODNIOWY, it proved to be no sensational news. People were more interested in the closing of "N" accounts at banks than in Lenin's being deprived of semidivine status. The very fact that such utterances could be published is a sufficiently eloquent signal: Lenin has ceased to be treated as an oracle and has become a normal author who is entitled to make occasional slips of the pen.

Schaff, contrary to what he thinks of himself, is not a serious authority to me. But the topic he has raised is extremely serious. "The State and the Revolution" is not just some little book that can be discussed and then replaced on the shelf.

From the outset—and it was written in 1917—this book was viewed as an obligatory set of instructions for building socialism and communism. Entire generations of activists and politicians were brought up on it and regarded the reflections it contains as unshakable dogmas. Millions of people memorized by rote Lenin's thesis that the state is bound to wither away, that the army will be replaced by an armed populace, that the officialdom will disappear: "We shall reduce the role of government officials to that of simple implementers of our recommendations, to that of personally accountable, removable, and modestly paid 'administrators.'... The increasingly simple functions of supervision and reporting will be performed by everyone in turn; subsequently they will become a custom, and ultimately they will no longer exist as special functions of a special social stratum." Elsewhere Lenin wrote, "Under socialism everyone will rule in turn and soon become accustomed to no one being the ruler."

Years and dozens of years passed, but nothing pointed to the coming of the utopian vision of Lenin, who claimed that after the revolution the apparatus of oppression, that is, the state, will become superfluous. It seemed to the author of "The State and the Revolution" that it will be possible to handle in the absence of police and officialdom a few individuals who do not accept the blessings of the new order: "This will be handled by the armed populace itself, as simply and easily as when any gathering of civilized people, even in present-day society, separates participants in a fistfight or prevents a rape." Thus, for dozens of years it was shammed that Lenin's program was being translated into reality, whereas anyone could see with his own eyes that the apparatus of state was steadily growing and the promises of the advent of a time when "any cook would rule the state" sounded increasingly ludicrous.

The trouble is not so much because Lenin was wrong precisely about this issue, although in my opinion it was exactly this mistaken forecast of the future, when combined with the thesis of dictatorship of the proletariat and with dislike of democracy, that had, paradoxically enough, contributed to the proliferation of bureaucracy; this inaccurate prediction, when treated as a dogma, rendered honest discussion and effective treatment impossible. Still, it was possible to continue to pretend, even if forever, that the bloated functions of the state are merely temporary and ultimately Lenin's vision of a community in which everyone would rule in turn would be translated into reality.

The greater trouble ensues from the specific vision of the organization of economic and social life presented in Lenin's book. For it implied extreme centralism and an

extreme version of egalitarianism: "All citizens become the officials and workers of a single national state 'syndicate.' What matters most is that they all work identically, closely adhering to the norms of labor, and that their wages be equal.... The entire society shall be one office and one factory with equal labor and equal wages." And further, "The entire national economy would be organized like the postal service, except that the technicians, supervisors, bookkeepers, and all other clerical employees would be paid not more than 'the worker's wages of labor,' under the control and direction of the armed proletariat—such is our most immediate goal. Such is the state, and such its economic foundation, that we need."

It was precisely this vision of a giant monopoly that was for many years regarded as a binding program. People brought up on the ideas of "The State" tirelessly promoted the command economy and "uravnivovka" [a Russian term for egalitarianism, quoted here derisively] and countered any attempts to endow economic entities and organizations with some autonomy.

When finally we reached the point at which an authentic reform becomes necessary, this was bound to elicit the elemental resistance of huge and influential cadres brought up on the dogma that the sole ideologically correct vision is summarized in the sentence, "The entire society shall become one office and one factory with equal labor and wages."

I believe that it will not be possible to avoid open discussion of the contradiction ensuing from a comparison of the behests of Lenin's doctrine with the evident signals sent by the economy. These signals imply that it is not possible at all to translate into reality a model of an economy emulating the centralized organization of the postal service, and that a syndicate encompassing absolutely everything—offices, factories, and farms—is not feasible. For attempts to maintain this utopian creation we are paying with inefficiency, backwardness, and, ultimately, a growing crisis.

And sweeping under the rug the truth about the doctrinal, structural errors of the present model will not help. Sooner or later it will be necessary to delve into Lenin's ideas and subject them to critical analysis. Schaff is probably right in claiming that this time is near by now. To many this will be a severe shock—more severe perhaps than the difficult operation of destalinization.

1386

**Zawislak Discusses Role of State in 'Restructured Economy**

*26000593a Warsaw LAD in Polish  
No 29, 17 Jul 88 pp 3, 14*

[Text]

[Question] Professor, I would like us to discuss the topic of the role of the state in the economy. Do you believe

that there is a continuous trend towards expanding the role of the state in social life and in the economy, which is expressed by a growing share of the national income claimed by the state budget, if nothing else?

[Answer] I would define it in a different manner. The history of society is one of mutual wrestling by the state and the economy. At the time the state revealed its historic mission, i.e. when primary production began to generate a surplus, the problem of power and the issue of who was going to distribute this surplus arose. The outcome of this struggle varied. Thus, after centralized mercantilism, came the laissez-faire approach with its concept of the state as a "night watchman," or an organ overseeing the execution of contracts between citizens.

[Question] However, for almost a century now, the trend has been unambiguous. The state has come out on top in this struggle.

[Answer] Indeed, this is so. The state has begun to take over increasingly larger sectors of the economy to the obvious detriment of the latter everywhere—not only in the countries of real socialism, which is evident, but also in Western countries. In real socialism, the state has altogether become one with the economy.

[Question] What is so bad about the state moving into the economy? After all, the state, the republic, or commonwealth, interferes in the economic processes in pursuit of the common good.

[Answer] We may take a philosophical look at it. Economic operations are described in quantitative, technical dimensions. Efficiency, profit margins, productivity and costs are at issue. Completely different axiological categories are applied to operations of the state. Justice, freedom and security are at issue. These are different semantics. If a decision-making echelon guided by certain criteria moves into operations the quality of which is determined by different criteria, we always face serious dilemmas.

[Question] However, is it not possible to reconcile these two orders somehow, by optimizing both?

[Answer] I subscribe to the view, which I even called in jest "the Zawislak law," that you cannot maximize unambiguously positive notions at the same time. For example, take freedom and equality. Probably everyone is in favor of freedom and in favor of equality, but by maximizing one we reduce the other. This is the beauty of our world. While taking over the economic processes, the state is guided by criteria from a different "sheet music," and forces economic criteria into the background.

[Question] Do you deny altogether the feasibility of involvement by the state in any sphere of the economy or social life?

[Answer] Any value brought to an absolute in human perception becomes a negation, an absurdity. Therefore, I do not rule out the feasibility of state involvement. The issue, however, is where the limit to such involvement is.

[Question] We may determine the preliminary limit through a constitutional provision or law. For example, this is being done in the course of the discussion on the limits to economic reforms in Poland. I am familiar with several unofficial reform plans, for which the authors specify, and apparently quite precisely, the limits to intervention or presence by the state.

[Answer] It is more complicated than this. As somebody has said, the state is an autocatalytic system. This means that the more of it there is, the more of it there will be. In other words, reinforcing feedback operates here, a cancerogenous mechanism proliferating the cells uncontrollably.

[Question] Can a democratic political mechanism contain this process, can it set up a control system?

[Answer] Yes, to a degree, but, firstly, the process of taking state domains away from it is difficult and painful, and, secondly, the state increases its involvement by implementing the values accepted by society. By getting involved, it creates much confusion, usually does not achieve the desired results, but it does take over new domains. Let us take, for example, actions aimed at equal rights for blacks in the United States. The black population felt discriminated against, and indeed occupied the lower levels of social hierarchy. Therefore, it was concluded that it would make sense to pass a law that the percentage of blacks in colleges, administration, high positions, etc. should be the same as in the American populace. It is hard to argue that this idea did not make sense, but its implementation turned out worse. Two measures were used in order to prompt private colleges to admit a greater number of blacks, firstly, the tax system, secondly, preferences of the same type as our points for [class] background and scholarships tied to them. The tax system forced the schools to admit blacks because otherwise they were threatened with a high tax. On their part, preferences ensured the influx of colored students in sufficient numbers. It appeared that a perfect system was created. However, there is a limit to everything. Students graduate, and at this time it turns out that the private sector has no desire to absorb them, because the average value of a black graduate is lower than that of a white graduate. Why is it lower? Because the blacks are favored, and, therefore, the examiners go easier on them during examinations with a view to keeping the share of black students above the required minimum. The students are well aware of that and take advantage of it by not applying themselves to study. Certainly, not all of them, but the word gets around, and employers prefer



white graduates to blacks—for pragmatic rather than racist considerations. This causes frustration among the black populace. After all, not every black graduate is worse than a white one, but he has difficulties finding work. Thus, it turned out that state intervention in the social sphere brought catastrophic results. The state achieved the reverse of what was intended. Racial prejudice mounted (on both sides), frustration grew, and so on. The problem remained unsolved, hence the temptation to get involved even deeper in these matters. By pursuing "correct goals," the state grows, but still cannot attain the goals.

[Question] What is the explanation for that? After all, it would appear that the state has the greatest opportunity to intervene effectively. Besides, the state is an unbiased arbiter, and thus it can reconcile various contradictory social interests at the same time it intervenes.

[Answer] There is a concept, originated by Mannheim, stating that the extent of our energy and design potential is so great that the range of our actions is greater than the range of our ability to predict. The state has the greatest range of action in the economy. The state could afford to build the Katowice Steel Mill. A private owner, even a consortium, would not have created such a giant. However, the consequences of setting up this giant transcended the sphere of our ability to predict. If a peasant builds a shack, then the range of his action is more or less equal to the range of his ability to predict. However, if we were to increase his potential by a factor of 1 million, he would be able to put up a shack  $n$  times larger, at the same time losing the control over many factors, and the shack would certainly collapse.

[Question] Is the state such a peasant with an unlimited ability to act?

[Answer] This is so, especially for a state not subject to popular control. The state is constantly tempted to interfere drastically in the social life, and even in nature. Let us take the famous river diversion in the USSR. Only the state could afford operations of this nature. However, it turned out that only some consequences of interference were predicted, while the consequences not predicted were very dangerous.

[Question] Is this, perhaps, also the issue of forcing through certain concepts whatever the cost, and [not] only of the skill of prediction?

[Answer] Certainly yes; however, the lack of the skill of prediction, the objective lack rather than, say, ordinary ignorance, make this easier for swindlers. The Aswan Dam is another case in point. The dam turned out to be the greatest economic blunder in the modern history of Egypt.

[Question] Don't you believe, however, that there are spheres of economic life in which the state may operate more efficiently than the private investor?

[Answer] As I have said already, making any absolute statement on society leads to an absurdity. So, I do not rule out the feasibility of extemporaneous intervention by the state. Nonetheless, I would have difficulty indicating a sphere in which the state indeed operates more efficiently than the private sector. Savas, an American economist of Greek origin, studied this subject in several dozen countries, including Poland. He studied the operation of 7,000 state and private enterprises. He found that the private entrepreneur operates 40 to 60 percent cheaper, i.e. more efficiently, than the state. The Savas law is the one economic law unassailable by empirical evidence. It has been determined that when the state undertakes any routine economic operation, it does it worse than a private entrepreneur. I will cite a less known example, that of Japan, today almost a synonym of efficiency. There is a state railway Osaka-Tokyo. It turns a loss of \$2 million daily. Whenever the state undertakes something, it is known from the very beginning that nothing good will come out of it.

[Question] However, the state can ensure measures which, though less efficient, take into account other values, i.e. social security. This is part of the reason why state interventionism has gained proponents for several decades.

[Answer] This is true, but in the last several years this trend has been reversed in many states. The voters in democratic countries have become aware of the fact that private companies operate considerably more efficiently, hence the growing significance of forces which come out against the presence of the state in the economy. In democratic countries, the voters are also taxpayers who do not want to pay for inefficient state enterprises. Two years ago, the Renault enterprise was 2 billion francs in the red, while the Peugeot enterprise paid 2 billion in taxes. The Renault is a state enterprise, and the Peugeot is private. Could there be an example which appeals better to the imagination of a voter/tax-payer?

[Question] Conservative economic policy in Great Britain is based not only on reprivatization, but also on restoring the efficiency of state enterprises. The achievements in this area in the coal and iron and steel industries are overwhelming. A state enterprise such as British Steel reversed a major loss using, after all, typical capitalist methods, i.e. laying off over 70,000 workers.

[Answer] The restoration of profitability is the first step towards reprivatizing enterprises. A company which operates at a loss has little market value; this is why reform measures are used before it is put up for sale. Nonetheless, these enterprises will not remain under state control for long, because there is no such need. We may say that the state in Great Britain is gradually repairing what it has previously wrecked. However, this requires the force and determination of Margaret Thatcher.



[Question] What benefits can the state and society draw from reprivatizing their assets?

[Answer] The state derives a triple benefit from such a transaction. First, the state treasury receives one-time income by selling assets. Second, it stops funding unprofitable enterprises; third, instead of expenses for subsidies, it has proceeds in the form of taxes. Certainly, the process of reprivatization is not either easy or rapid even in Great Britain. If it proceeds at the same rate as to date, as many as 42 years will be needed for the entire state sector to be transferred to private owners.

[Question] What is the cause of these difficulties?

[Answer] The bureaucracy goes out of its way to prevent rapid reprivatization. As it were, bureaucrats have a safe job in a state company, but when the company goes over to private ownership, it turns out that such an army of officials is not needed. The same is the case with the trade unions, which in England are very left-wing and traditionally favor nationalization. After all, behind this is the egoistic interest of trade union leaders, whose clout and potential for operations are greater in the state sector compared to the private one.

[Question] What about involvement by the state in public services—education, health care, etc? Can the state prove its superiority in these areas?

[Answer] The state has indeed operated traditionally in these spheres. As of now, it has been present in them longer than in the strictly economic spheres. However, the Savas law applies in these instances as well. For example, the budget of state schools in the USA, the ones where the standard is low, conditions are atrocious, and so on, is greater than that of private schools where the standard, conditions and teachers are excellent. This is to say the cost of educating one student in a public school is greater than that at a private school. The same may be said about hospitals, communal services, etc. In all cases, things private turn out to be cheaper, more efficient. What does it mean? It means that society does not have to foot the bill for maintaining an inefficient bureaucratic machine. If it does not have to foot this bill, then it may invest the money in more efficient undertakings instead. Overall, the entire society is richer due to this.

[Question] What is your view of the prospects for the state pulling out of the economy in socialist countries?

[Answer] This is an entirely different problem, I would say, [a problem] on a different scale. If the bureaucracy is blocking reprivatization in Great Britain quite efficiently, then what can we expect in the countries of our camp. However, perestroika in the USSR is exactly an attempt to eliminate the unnecessary bureaucracy from the economy and to replace it by efficient mechanisms—entrepreneurship—individual responsibility of people. Despite everything, these are processes similar to those in the United States and Western Europe. Thus, the

wrestling of the state and the economy goes on from Vladivostok to San Francisco. The excessive presence by the state has brought about stagnation in Western states and in socialist countries. This excessive presence was associated with, among other things, the arms race. Let us look at what has been happening in recent years. The two superpowers are beginning to talk to each other about disarmament, despite the USSR having the most dynamic leader in several decades, and the USA—the most anticommunist one. These two completely different persons come to an understanding, because they have observed that, next to the two superpowers wasting their economic efforts on armaments, new economic powers grow—Japan, South Korea, Taiwan and, maybe soon, China. The 21st century may belong to these vigorous economies in which the participation by the state is small (which is not to say that the state does not use various controls).

[Question] In view of this, does the state pulling out of the economy represent a long-term, secular trend?

[Answer] Definitely so. We are witnessing the most significant changes in values in over half a century. Therefore, it is necessary to redefine the role of the state in organizing society and the economy, as well as the relations between the state and the individual, the state and the producer. Such a redefinition occurs the world over, and we in Poland cannot escape it, either. This is how we should view the economic reform. It cannot be just a change of instruments by which the state manages the economy. The reform must mean a change in the role of the state and the relationship between the state and citizens—producers.

[Interviewer] Thank you very much for the interview.

9761

### **Pros, Cons of Reforming From Top to Bottom Analyzed**

*26000552 Warsaw LAD in Polish No 27, 3 Jul 88 p 7*

[Article by Witold Gadomski: "From the Bottom Up, or From the Top Down?"]

[Text] We are witnesses to one of the strangest political discussions of the past few years. For several weeks there has been a dispute in the press over the role of democracy in the economic reform process. The dispute is extremely important, possibly one of the very most important, and the line of division is running a course that in Polish terms is atypical. First, the parties to the discussion seem to agree that the relations predominating in Poland are not democratic. This view is expressed both by polemical parties to the argument who usually support the government's policy (Passent, Toeplitz) and by those who are "critics of the regime" (Maziarski, Bugaj, Isielewski, Korwin-Mikke). Therefore the people who think that full democracy reigns in Poland, or that a democracy higher than bourgeois democracy does, are

not taking part in the dispute. Second, the dispute is not a substitute, as has previously happened with important political discussions in the past—examples here are the dispute over romanticism during the 1960's, or the recent dispute over a sexology textbook in the schools—but concerns basic issues here and now. And, finally, third, the line of division does not run between "the regimists" and "the opposition." It runs through both groups.

### The Positions of the Two Sides

There are two points of view concerning the possibilities for conducting economic reform in Poland. There is no doubt that such reform is essential. The views of one side have been best summarized by a sentence written by Daniel Passent: "Who knows but what a successful prescription for restoring health to the economy is: A free market and strong police?" Toeplitz presents views similar to Passent's (there is nothing surprising in this, of course), but so do Stefan Kisielewski, Janusz Korwin-Mikke, and Mirosław Dzielski (in his interview: "Bez kontestacji" (No Response)). These views have been criticized by Jacek Maziarski and Ryszard Bugaj (article in TYGODNIK POWSZECHNY). The views of the opposing parties were published in TYGODNIK POWSZECHNY and LAD.

"Market and a strong police" advocates use South Korea, Spain, Taiwan, and some South American countries as examples of the successfulness of the strategy they support. The opposing side cites countries of democratic capitalism, for example, and the relative rarity of a prosperity coupled with dictatorship. Advocates of authoritarian leadership consider the conflicts between various interest groups unable to work out a consensus about the principles of the transformations needed within the country as the chief factor blocking market reform. Today the authorities are absorbed with these conflicts and are trying to take the interests of various sides into account. In practical terms this fact is standing in the way of any sort of reform. An example of this situation is the multiplicity of consultations with the public over the direction the changes should take, a complication which is causing great delays in the procedure of reform. In the course of discussions and consultations, after opposing views are taken into account, draft laws that are not half bad are changed into far worse ones that are less radical and are half-way measures. Advocates of democratization see the bureaucracy and various economic lobbies that are boycotting the reform to be the major cause of delays in the reform. The extension of political pluralism is going to mean giving the floor to political forces unrelated to the previous bureaucracy, in order to make it possible to break through the latter's resistance to the reform. "Autocrats" see the main block to the reform to be society, which is unaccustomed to economic mechanisms but is accustomed to excessive government protection. They think that society is ultimately responsible for the reform's slow headway. "Democrats" are of the opposite opinion.

They say that society is set decidedly in favor of the reform. Therefore, permitting society to influence political decisions will bear fruit by instilling in officials a greater determination to implement the reform.

The "autocratic" tendencies are usually expressed by those journalists for whom the economic reform will mean profound changes in the direction of a full market economy, with minimal state regulation (traditional journalists expressing views close to those of the government are an exception here). The "democratic" option is presented by journalists who are less radical in their economic demands. As in any heated discussion, many concepts have not been fully spelled out, and the arguing parties therefore often fight views that are not so much those of their opponents as views contrary to their own. To define the field of discussion more precisely, we should adopt the principle that we are discussing the real situation of Poland, that is, its economic and political reality.

### The Myth of an Anticrisis Pact

Advocates of the "democratic option" pin their hopes of implementing the economic reform on making an "anticrisis pact." The idea of such a pact goes back to 1981. It was to have been an agreement between the leadership and society, and representatives of organizations independent of the authorities were to act on behalf of society. In 1981, of course, the trade union would have been that organization. Despite the dramatic events that occurred at that time, the idea of a compromise between the governing and the governed has never been rejected. A few months ago Prof Geremek expressed the idea in an interview that appeared in KONFRONTACJE. Prof Geremek said: "Such a pact is still possible. It may seem surprising, but I think that such a social pact against the crisis has greater chances of being implemented now than it did in 1981. The thing is that both sides have gained experience before and after 13 December." Advocates of an anticrisis pact make two assumptions. First, they think that the economic reform must require that society give up some things during the first phase of implementation. This assumption is similar to the statements made by the government economists who recommended great price increases prior to both the first and second stages of the reform. Second, it is assumed that the economic reform is to be an act performed centrally, and therefore that the authorities are to take the active part. The role of the society would be reduced to passively accepting several years of surrender and giving things up. In this instance, democratization would be merely the assurance that the central reformers implement their operations in keeping with the national will and objective rationality. The most difficult question obviously remains, that of the social representatives who would enter into the pact with the authorities. Although the issue was obvious in 1981, it no longer is now, in the middle of 1988. The April-May strikes show how little influence overall the members of the former trade union have over current events. Regardless, therefore, of the

intentions of the two potential parties to the "pact," there is doubt that the society would wish to respect it during moments of crisis. The social deterioration that has occurred during the past 6 years did indeed stabilize the situation, but in the long run it created a dangerous vacuum. Today the society (especially the workers of the large plants) is not very steerable. No authority is in a position to induce production-oriented behavior. For this reason, I do not see much possibility of the success of any such "pact" (quite apart from whether it is realistic even to consider making such an agreement). In this connection, we should take a different view of the role of democratization in the process of reforming the economy. It is clear that measures bringing up closer to pluralism will improve the social climate and also permit us to utilize constructively the social energy thereby released. For example, the liberalization of the past 2 years has made it possible for previously silent groups to articulate their views, and it has permitted far more serious discussion of the reform of the system than we have seen at any other time. Nonetheless, democratization cannot be the only key to conducting the economic reform. First of all, despite the statements of certain "democrats," there is no general agreement about the scope or direction of the changes needed (there is agreement only on the fact that changes are in fact needed). Thus, democratic debate on the economy could carry with it certain risks, and above all it could delay the reform. On the other hand, however, there is no way to agree with Ryszard Bugaj's statement that "the bureaucratic machinery is structurally conservative, because the reform makes a frontal attack on the interests of this group."

As Jacek Maziariski correctly writes, no professorial groups of counsellors and people sharing power have been able to create a rational economy in Poland. Therefore, to expect another group of scholarly experts to be able to wage an effective reform from the top down is counting on miracles (which, as everyone knows, happen extremely rarely). For the moment, therefore, discussion between "democrats" and "autocrats" does not seem to have any solution and is in a situation that is typical for Poland today, a stalemate.

#### Grassroots Reform

The assumption adopted just about universally is that society must bear the reform's high costs, but this issue needs to be defined more precisely. The statement that we can get out of a profound structural crisis in a simple, painless manner is demagogy, but nobody has actually stated what sort of price would have to be paid for turning the economy around. On the other hand, everyone knows that we are paying a concrete price for making no decision or for making erroneous ones. For example, the decision that there had to be large price increases "cost" society at least 200 billion zlotys. Reserves in commerce resulting from the panic buying of goods were diminished by that amount last autumn.

A reform waged "from the top down" is to be a "positive" reform, that is, it is to be a catalog of centrally initiated changes in economic policy and in the instrumentation of this policy. The alternative to it would be a "negative" reform, consisting of a drastic restriction of central regulations, state withdrawal from direct steering of the economy, and at least partial withdrawal of its own means of production, the elimination of state monopolies, especially the foreign trade monopoly, a drastic reduction in that part of national income derived from the state budget, rejection of a centrally conducted policy for allocating investments and restructuring the economy (that is, leaving these matters to market mechanisms), and the elimination of restrictions on the founding of enterprises and the flow of capital (including foreign capital). A "negative" reform does not call for much work from the central authorities. It does not need lengthy legislative procedure. It does not require so much the creation of new laws as the elimination of laws that existed previously. Of course, the central role cannot be reduced merely to withdrawals. It would continue to govern, for example, monetary policy and the tremendous task of reforming the zloty. Following the model of Japan or South Korea, the central authorities could conduct strategic policy, giving priority to certain branches of the economy and certain organizational solutions. Another task of the central authorities would be to put together a new economic situation in CEMA relations, but the main thrust of restoring health to the economy would be left to the society, that is, to the citizens in their role as entrepreneurs or employees.

"Positive" price reform consists of centrally introduced increases and compensation for them. This maneuver, as Prof Sandowski himself admitted, produces no positive effects (instead it produced negative ones). A "negative" reform would consist of eliminating official prices, putting an end to rationing, removing subsidies for the meat, coal, and power industries, and so on; eliminating the state monopoly on the turnover of farm products, as well as coal and other energy-bearing agents, doing away with the state monopoly on foreign trade, and setting import tariffs at a low level. In this way the state would relieve itself of the responsibility for those areas from which it had withdrawn. The state's active role in this case would be reduced to conducting a balanced monetary policy and perhaps also a social policy (for example, in the form of benefits for low-income families, food vouchers, and so on). This is a far simpler task than a priori computing indices for the rise in the cost of living, giving compensation for them, correcting calculations, issuing compensation again, and so on, around and around again. A "negative" reform would run a similar course in other areas. In housing construction the state would draw up multiyear plans, try to balance investment outlays in financial and material form with labor resources, worry over personnel fluctuations, increases in cost estimates, and so on. A "negative" reform would consist of enfranchising housing resources, cutting off subsidies for basically nationalized housing cooperatives, and allow a housing market to come into being.

The state's active role would be reduced to giving preferential treatment on housing credit (guaranteed by the government) and to allocating land for construction and perhaps seeing to the development of the infrastructure. One could proceed in the same way with the school system, public health, sports, recreation, transportation, and so on. A "negative" reform or other reform made "from the bottom up" would need a staff of advisers, bureaucrats, detailed analyses, or the like. From this point of view, it would not have great costs. Of course, certain costs would have to be paid for the group of bureaucrats out of work and also by the society.

#### "Authoritarian" or "Democratic"?

We come back here to the issues brought up at the beginning. Would this sort of "negative" reform require authoritarian support or democratic support? Before we answer this question, let us consider the costs that society would have to pay at the moment the reform is implemented. These costs could be expressed in a decline in real earnings, an increase in the prices of some goods and services far above the average level (for example, a severalfold increase in rents), the possibility of unemployment, the necessity of changing jobs, qualifications, or place of residence. It is difficult to establish a priori how these costs would be structured, but there is something else here that is more important. The state's withdrawal from many spheres of the economy would mean that complaints would have to be addressed elsewhere. There would be still another consequence: effectiveness mechanisms would be mobilized, which would mean that each cost incurred by the society would result in a concrete improvement in the situation. For example, meat prices would be higher, but as a result the market would be balanced (and over a longer period of time, there would be a relative decline in prices). There would be higher rents, but in exchange it would be easier to rent an apartment. There would be greater traffic on the housing market, and as a result the needs would be more closely met by the possibilities. There would be a substantial increase in average wages, because of the elimination of the housing subsidy. And so on. Here we should mention one thing. I am in no way recommending Hungary's sort of solutions, that is, the shops are full, because few people can afford the high prices. The mobilization of the effectiveness mechanism, as the result of a "negative" reform, would mean that the rise in prices would automatically increase production and hence would bring about a relative decline in prices in the long run. This sort of reform would change the society's situation. Today everyone in society (except in rural areas) is almost exclusively an employee. Through a reform from the bottom up, a strong group of producers would come into being. The government's withdrawal from the economy would mean that economic problems would not automatically be political problems. Therefore, there would be no need to enter into an "anticrisis pact" or to convince the society of the need to give up things. In this situation, the question about an "authoritarian" or "democratic" option would no longer be important.

When a child is supported by its parents, it is sometimes angry that they do not buy him some toy or some such thing. In this situation there is not much use in the parents' convincing the child that they cannot afford to buy the toy, but when the child grows up and becomes responsible for his own material well-being, he tries to resolve his own problems. If and when he complains to his parents, it is often the parents' own fault, because they treated a grown man like a child for too long a time.

10790

#### Planning Commission Chair Holds Talks 26000533c Warsaw TRYBUNA LUDU in Polish 16 Jun 88 p 2

[“Poland's Foreign Relations”—PAP report]

[Text] Deputy Prime Minister and Chairman of the Planning Commission under the Council of Ministers' Zdzislaw Sadowski received on 15 June the Chairman of the British Overseas Trade Board, J. Clemison. Current trade and economic relations with Great Britain were discussed.

On the same day Zdzislaw Sadowski received the Ambassador of the Republic of Finland, Unto Juhani Turunen. The subject of the meeting was Poland's economic policy in the light of the implementation of the second stage of the economic reform as well as the development of mutual trade relations.

On 14 June Deputy Prime Minister Z. Sadowski received the Ambassador of the People's Republic of Bangladesh, Khalequzzaman Chowdbury. The current socioeconomic situation of Poland was discussed.

1386

#### Internal Affairs Promotions Noted 26000585d Warsaw RZECZPOSPOLITA in Polish 29 Jun 88 p 2

[Text] The Gen Franciszek Jozwiak Higher Officers School—"Witold" in the Ministry of Internal Affairs—held another promotion ceremony. The main commandant of the Citizens Militia, Gen Brig Zenon Tracinski, did the honors for the promotions to officer first grade.

9295

#### Coupon Practices, Pricing, Exchange Rates Criticized 26000555 Warsaw PRZEGLAD KATOLICKI in Polish No 26, 26 Jun 88 p 5

[Article by Jerzy Stepien: "A Sequel to a Short Treatise on Coupons, Prices, and the Currency"]

[Text] In the previous considerations on the topic of coupons (PRZEGLAD KATOLICKI, No. 24, pardon me—of vouchers, because this is the name which our old

friend the coupon assumed, following the well-known accords, after which it was supposed to disappear) it was said that without the coupon (vouchers) the entire economic and state administration would be paralyzed within a short period of time. The ones who make up the administration (the nomenclature) would agree with me without hesitation. However, the subject should be given a closer look for the benefit of persons outside the circle of luminaries, and especially the readers of PRZEGLAD KATOLICKI, primarily the ones in cassocks, who, as is known, receive no coupons. So, let us imagine what happens after a given individual receives a voucher which he has craved and deserved, e.g. for a car, furniture, washing machine, etc. As an example, let us take a car. The happy owner of a voucher is happy for at least three reasons: firstly, he has deserved a voucher, and this bodes well for his future in the eyes of his superiors; secondly, he has come to own a thing others do not have. However, he is happy for one more reason, this being the fact that this beautiful "Polonez," with its glittering fresh finish, purchased at present for the official [price] of 1,800,000 zlotys, in 3 years will go for at least 3.5 mill at the [used car] exchange. After those 3 years, the next coupon may be received, provided, it is understood, that the 3 years were spent in a way which does not prompt one's superiors to doubt in any way the usefulness of today's lucky man in the duties assigned to him. After all, that 3.5 mill will make it possible to buy the next "Polonez," and fund a trip abroad for his wife with the remainder—a trip which certainly will pay for itself.

It often happens that the wife also deserves the right to get a coupon, and then the situation is even better, because in this case the "Polonez," "Lada," "Skoda" or "Wartburg" (since recently, it does not pay to take a "Fiat" on coupons, because it does not move well in the exchange) can be parked in the in-laws' garage, and subsequently sold as a new car 2 to 3 years later. The point of it is that the price it fetches will come up to 6 million. Oh yes, the exchange is the thing.... After all of these operations in the exchange it will turn out that, apart from the salary, bonuses, rewards and other perquisites associated with discharging responsible and highly exhausting functions in the state economy, our Sunday exchange broker may add at least 100,000 [zlotys] a month to his salary, which, most importantly, causes nobody aggravation sticking out on the payroll. It is not that a coupon is a money-making proposition, but a long-term one and so problematic, who knows what will happen in 3 years, and some cannot even afford to purchase a car with their coupons, so everything gets fuzzy somehow.

However, in the meantime, we have to take care of keeping prices in the exchange as high as possible in our common interest as brokers. This is obvious, but how can we do it? Can a single dignitary influence prices in the exchange? This appears impossible; after all, the exchange is a market almost the same as in the West; nobody forces you to do anything; if the price is agreeable, it is all right, if it is not, so it is not.

The purchaser always pays the tax on the purchase of a car. It is calculated by ladies from the Treasury Office not on the basis of the written contract—after all, why should they believe the prices entered onto some private paper—but rather on the basis of exchange quotations carried by ZYCIE GOSPODARCZE, VETO, and even all provincial newspapers. This information is objective, it is known that people, being what they are, would always like to cheat the tax collector, but what motives could a newspaper have to quote reduced prices...? To be sure, the newspaper reports asking prices. It happens that individual buyers and sellers settle at a lower level, the purchasers bargain it down some, but this is not the end yet. The business is good, but for it to get better we definitely need to introduce customs duties, and very high ones at that, on used Western cars, so high that it would not make sense to bring cars from the West, and not because they will be competition for domestically produced cars, but because they would needlessly reduce the demand for cars sold in the exchange—the ones that were previously bought with coupons....

Now we must also recall the high black-market price of "greenbacks," and... we can sleep tight. We should, however, give it some thought, because they are real money which buys anything, anywhere. Besides, we should bear in mind that the non-official price for cars will always be expressed in dollars and will approximate world prices. Thus, for business in the Sunday exchange to be good, the black-market price of the dollar must be pushed as high as possible. In addition, this "high" makes happy all of those who make money in the West (or save during business trips) and spend it in the PRP. To date, no better deal has been found than to make money there and spend it here. Thus, everyone who uses this particular arrangement should be overjoyed when he opens VETO and notes the stability of the black-market exchange rate for his dollars. After all, nothing gives you better solace after a day's worth of work than the knowledge of your money holding its own, to say nothing of even going up some. Throughout the world, the dollar is hitting the bottom, gold prices are going down, oil gets cheaper, and so do coal and grain, while on the Vistula the dollar is always strong.... Where could we find an economy that stable?

There are several methods of driving up the price of the dollar in the black market. One of them, publishing exchange rates set in an unknown place rather than in a real exchange, was already mentioned, but there are several other, better ones....

The second method is based on selling domestically produced vodka in the [shops of] the PEWEX [Internal Exports Enterprise] at the lowest dollar price possible. This mechanism has been described many times, and therefore is generally known. If a half-liter in "Baltona" [hard-currency shops] cost, say, \$3 (it should cost considerably more), by virtue of that the dollar would plummet in front of the "Forum" [Hotel—open-air hard-currency black market; translator's note] as long as

it takes before stopping at around 450-500 zlotys. Now it stands at 1,500 zlotys, and it will do so for as long as the same half-liter, bought at a regular shop at 1,400 zlotys, is offered in the PEWEX at \$1.10.

The third, and very ingenious, method boils down to the state purchasing the dollar certificates it issues with the zlotys it issues at the rate of 1:1,300. Who will sell a real dollar below that rate? We do have currency specialists, after all....

So far, dignitaries who are coupon-holders have been the object of interest; now we have to tread on dollar-holders. Frequently, they are one and the same, but not always. My reader, what group are you in? In this instance, we are absolutely not out to pass a moral judgment. I state expressly that the purpose of this essay is to show how it works. Thus, let us observe that the populace will fight the nomenclature by word of mouth and in writing, but not the black-market rate of the dollar. In this matter, the coupon-holders and the dollar-holders will pool their efforts. In this sphere, national understanding has long come about....

As was stressed above, the coupons are not exclusively for cars, because you can get them for furniture, books, TV sets, carpets, washing machines, vacuum cleaners and refrigerators. You may also receive a non-repayable loan (I wonder why they call it a loan), you may receive a voucher for a stay at a foreign resort. A resourceful coupon-holder may show altogether boundless creativity in this matter, the kind even the most enterprising capitalists never dreamt about. (For example, let us imagine a coupon-holder—whose wife does not work in the state sector and is involved in foreign trade—who has already managed to place his children in London colleges within the framework of cooperation with the contracting British company...).

There are also many ways to live without coupons, but close to a source of a constant stream of "greenbacks." However, what is a person who is neither a coupon nor a dollar-holder to do? Well, first of all he may try to become either (surely, the best would be to have both). We should admit that there is not a dearth of those craving both coupons and dollars in our country. Let us note that, in reality, one cannot, or almost cannot, support his family on a regular salary. The male in the PRP is particularly threatened by this, because the inability to make enough to support his family single-handedly produces an acute complex in him.

Therefore, if for some irrational reason such an underpaid male refuses to pay for coupons—and he often pays horrible prices for them (let us return, however, to pure economics)—then, in case he still does not have a permanent source of "greenbacks," he will dream about one. Sociological research suggests that, at present, 70 percent of males have one dream—to go to the West, make money and return here with this money. At one

time, we had to be forcibly taken to work in Germany, now we eagerly do it ourselves, including giving bribes, all in order to "latch onto a contract."

At first blush, it appears that this involves nothing but benefits: people see the world, compare, become resistant to propaganda, drink in civilization, knowledge of different arrangements—in a word, they undergo a liberation of sorts. It is also known what's in it for the state. Special enterprises involved in exporting labor, without batting an eye, pocket as much as even 70 percent of the money made there by our countrymen, who certainly agree to this, because in several months of working there, they will make more than in several years of slaving here.

However, let us not repeat generalities. Let us see what the attendant losses are. The money brought to the PRP could turn a profit if it could be invested in machines, equipment, etc. Most of it, however, ends up in the PEWEX, where "Polish Vodka" has held sway for years.... Is it possible to calculate the value of work lost for the country for this reason, often [the work of] our best specialists? Moral losses are also alarming: cheating on one's spouse is becoming common and is somehow included in the price of getting hold of the longed-for greenbacks. The number of "contract" divorces, as the attorneys already call them, is indeed growing all the time. To get dollars, they do not travel only to the West. They also travel to the East to get dollar certificates; over there, the earnings are somewhat lower, but, on the other hand, if you find a kind soul who would undertake to provide room and board, the stack of valuables stashed away with the thought of returning to the lawfully wedded wife will grow all the faster....

However, contracts mean first and foremost a different awareness, coming to understand that your situation in life can be improved only through individual efforts abroad. Here and now, both at the same time, nothing can be done... The most correct statements of advice calling on patriotic feelings will not help—there will be more and more desperate ones among the young people.

[Censored material](Law of 31 July 1981 on the control of publications and performances, article 2, paragraph 6 (DZIENNIK USTAW No 20, item 99, amended: 1983, DZIENNIK USTAW No 44, item 204)). There is a colossal difference between work and employment; a good political career was made playing on these words. The other myth is that work is paid for in our country, because not all work is. If the cost of producing and distributing alcohol does not exceed 10 percent of its retail price, then somebody who has drunk away his salary has, strictly speaking, worked for free. If he is a young man who lives in a worker's dorm and goes along with the customs prevailing there—and who doesn't?—then we can pay him without hesitation as much as 100,000 [zlotys] a month from, say, the "mining" pocket of the jacket of the state, because he will return almost everything to another pocket of the same jacket of the state via the [state alcohol] monopoly shop. If, for

example, the employees manage to steal as much as 5 percent of the bearings produced, this will hardly reduce the profit of the plant, anyway. After all, the raw materials, energy and labor expended for the stolen bearings will be included in enterprise costs, anyhow; only a small margin will be lost. However, the stolen bearing will be sold for a sum which will not appear on the pay slip. This makes it all the easier to drink away (even your wife would not know), which essentially causes the theft to be taxed, and at high rate at that, by the monopoly tax. So, the state owner will not suffer a loss on the product stolen, he will even manage to turn a profit on it. Besides, the cap fits, and in the future the thief will not misbehave.

By drinking away about 20 percent of our take-home earnings, we should be reducing our real wages by 18 percent, because 90 percent of the price of alcohol is a huge indirect tax paid on every bottle. If the bottle is from the PEWEX, it is obviously paid in dollars. What remains is to build a pumping station feeding PEWEX vodka into the zloty throat. This role will be played by the so-called "hang-out" (and not the state shop open at night), because only the hang-out owner is a wholesaler, and it makes sense only for him to buy vodka in quantity for dollars. Besides, there are weddings....

It is not known exactly how much we have spent for alcohol lately. Officially, they say about a trillion zlotys and about \$120 million. I have difficulty believing these data. In 1985, ODRÓZENIE (No 10) reported that we spend.... \$300 million for alcohol in the PEWEX. I do not think that hard-currency sales of alcohol have declined lately. It appears to me that a total sum of 1.5 trillion zlotys is the closest to the truth. This is a lot. Several weeks ago, we heard from the minister of finance that, if the government were to implement the pay raises demanded by the strikers (20,000 zlotys each), 600 billion zlotys a year should be allocated for this purpose from the state coffers, or—two and a half times less than we spend for alcohol. [Censored material](Law of 31 July 1981 on the control of publications and performances, article 2, paragraph 6 (DZIENNIK USTAW No 20, item 99, amended: 1983, DZIENNIK USTAW No 44, item 204)) alcohol to become a staple, and this is the kind of product it is in the PRP for 5 million citizens, including 1 million alcohol addicts. If somebody had to pay a tax of 150,000 zlotys as a lump-sum and direct tax, he would try to protest. When your daughter's wedding comes up, even 300,000 for vodka is not too much, which means that the treasury takes in exactly 270,000, paid without any demand made. Where alcohol appears, the tax accompanies it. This is how we pay a tax on every name-day, not to mention baptisms before that and funeral banquets at the end. You say alcohol brings losses?—it does, but these losses will be built into an entire system of gigantic wastefulness, anyhow, which, as has already been shown, is needed for a specific enterprise... any state enterprise to achieve greater profit. [Censored material](Law of 31 July 1981 on the control

of publications and performances, article 2, paragraph 6 (DZIENNIK USTAW No 20, item 99, amended: 1983, DZIENNIK USTAW No 44, item 204))

9761

### Michnik's 'Black' Vision of Polish Reality Attacked

26000550b Warsaw TRYBUNA LUDU in Polish  
4-5 Jun 88 p 3

[Article by Michal Misiorny: "Two Images of Poland—And One Wish: Adam Michnik as a Cassandra"]

[Text] The other day I returned from Poznan. There, I again met interesting people, including the Director of the Zydowo State Farm Combine Jan Motyka, and heard about state farms in Poznan Voivodship which no longer demand to be subsidized and, in the case of Zydowo, even keep abreast of the wage challenges hurled by the fairly numerous Polish-foreign firms in the neighborhood. I also toured Czarniejewo in order to see that amazing Skorzewski Palace, restored by state farm personnel to a splendor such as it did not display under its last owners before the war. And from all this I drew the conclusion that, when seen from that Zydowo or Czarniejewo (and in Poznan Voivodship 44 percent of land is cultivated by state farms), Poland looks quite different than when seen from Warsaw. Generally speaking, it looks better, but this hardly reflects the basic nature of the difference. I thought living in Warsaw—and I mean the mood of that city, its flipflopping from a smart-aleck attitude to hysteria—sometimes drains a man of energy, whereas over there, on the Poznan state farms, one can see that life and work are after all possible in the absence of that horrible pessimism and discouragement felt by many people.

I wish neither to idealize nor to divide things into better and worse. After all, the point is a question of feeling, of impressions and sensations which cannot be (and certainly are not) complete. But let me say at once that in my case this impressionistic idealization was prompted in reaction to the picture of the Polish catastrophe outlined by Adam Michnik in the latest issue of DER SPIEGEL. For on my way back from Czarniejewo to Warsaw I was reading his essay.

Poznan Voivodship also has its problems. They were described by Voivodship PZPR Committee Secretary Mackowiak. It has a developed research potential and a good agriculture, but its industry is obsolete. And yet this region used to stand on two material pillars—agricultural and industrial—as well as on a third, which distinguished the entire Western Poland and is termed good management. In its industry at present there exist two or three enclaves of modern industry, which is not much, and as for the remainder, it is incapable of meeting the challenges of the present. This places the spotlight on



agriculture, and this strengthens all the more my belief that, after all, in Poland there exist domains and regions in which when there is a will there is a way.

The contrast between the two images thus proves all the more striking. Michnik declares, "The progressing devastation of the economy, growing frustration, and spreading destitution," and further, "Declarations about the second stage of the reform are interpreted by the populace as predictions of further assaults on its living standards," and lastly, "After 7 years, Poland's creditors have not received even one Deutschmark in repayment and the Polish economy is sliding into the abyss against the background of countless proreform slogans... because no Pole now believes any longer that things would get better."

Now, or when? Michnik adds, "Following the suppression of the recent strikes."

I have not read his article in the original and the excerpts cited above are taken from an exact translation from the German, that is, from a translation of a translation. Let us hope that DER SPIEGEL did not resort to falsifying the translation as in the case of its translation of the article by another of its essayists, Jan Jozef Lipski [a Polish socialist of the old-fashioned kind]. But whatever may be the original Polish-language text of that article, the approach to diagnosing the Polish situation employed by Adam Michnik and his associates was rendered faithfully in the translation.

Michnik's picture of the Polish economic reality is black. But in reality what is it like? Pink?

Hardly anyone would call it pink. There are domains and aspects in which this picture is gradually brightening, but these optimism-producing bright spots are still small. So then, is the picture really black? No, rather, it is gray.

But precisely this interplay of colors nowadays reflects clearly the characteristic views of various social groups on Poland. The division into these groups does not parallel the old classical class stratifications. Perhaps then it corresponds to the stratification of political attitudes? I also doubt whether "black vision" is Michnik's monopoly, considering that examples of such vision also are known on the other side of the barricade. I believe that thinking about Poland is nowadays a function of various causative factors, beginning with the simplest ones such as irritation over the unusual vexations of quotidian life and ending with the most abstract ones such as the fatalistic disbelief in Poland's economic abilities; and in the middle there lies the vast range of individual and group stances on the literature, practice, and unfortunately also rhetoric of the reforms. Even Adam Michnik is right in saying that we are being inundated by that rhetoric, whereas the converse should

be true and public awareness should chiefly receive actual facts demonstrating that the reform has already caused the picture to brighten in various domains of social and economic life.

To justify his black diagnosis, Adam Michnik erected a construct from political assessments of the actions of General Wojciech Jaruzelski and his proreform associates alone. But his article, as published in DER SPIEGEL, can be interpreted conversely: namely, politics comes first, and because it impedes brightening the picture of the socioeconomic reality, it is proreform only in words, not in deeds, when it essentially attempts to resolve the old dilemma of conservatism—how to make changes in order to change nothing as a result. Elsewhere in the DER SPIEGEL article this dilemma reappears in an altered form: the authorities are concerned for finding a way of consolidating in Poland a kind of communist "Pinochetism" [after the Chilean General] consisting in the coexistence of a political dictatorship with a market economy. The third discovery by Adam Michnik consists in the assertion that a war between hawks and doves is under way in Poland and in the thesis that the "Polish nomenklatura" is still hoping for the failure of the Soviet perestroika and hence also—it is to be supposed—counting on a return to the old methods of bureaucratic management.

All this is somehow strange. Because if there are "hawks" in Poland, they certainly do not want a market economy, and if there are "doves," these certainly do not want rule of a dictatorial kind. Logical, is not it? And in view of this, under what conditions do doves unite with hawks in order to jointly desire "Pinochetism"? Michnik does not explain this, and instead he sketches that other demon, the nomenklatura. What is the meaning of that term? It means that the politicians are in favor of the reform but the middle (and decisive) governing and executive apparatus, meaning precisely that nomenklatura, is blocking the reform as much as it can while awaiting the political defeat of the Soviet perestroika. And therefore, Michnik concludes, it is precisely the Soviet perestroika that requires Poland's support, and the only force capable of giving that support is the opponent of the "nomenklatura," that is, Solidarity. Michnik formulates this sentence in the form of a desideratum addressed to his colleagues in the opposition.

The real contemporary Polish problem number one probably reduces to finding a precise answer to the questions of whether "official structures" in Poland are indeed conservative in nature, and whether "the institutions of the independent civic society" are their opposite as an alternative. Michnik answers this question affirmatively twice. Besides, he cannot answer it otherwise, because his own identity as a publicist of the political opposition depends on these answers.

As for me, I believe that neither of these questions can be answered affirmatively, and neither can be answered negatively either. Michnik's answers are the product of



pure speculation, little rooted in the soil of real and verifiable facts. Greater opportunities for finding the truth about contemporary Poland would be provided by reflections allowing for such "atypical" political factors, as Polish customs, Polish mentality, Polish popular education, the insufficiency of the will and ability to act and the overabundance of the will to chatter and strike poses, etc., than by academic figures of thought and black-and-white vision. I myself have departed from black-and-white vision so far that I do not view even Adam Michnik himself as a black devil; rather, I view him as a Polish chatterer in love with his own mental constructs, some of which are for sale besides. Besides also, the wide gap between Michnik's dichotomies and the reality of the Polish sociopolitical landscape is demonstrated by his assessment of the role of the Catholic Church. Since he has thought up a dichotomy, he had to place the church outside all classification. He thus writes, "[The church] is a bystander and tries to mediate." But the church cannot be abstractly divorced from the most fundamental Polish domestic alignments, and its role and possibilities do not reduce to mere mediation between "white" and "black."

No! No! The Polish reality differs from that sketched by Adam Michnik, and it probably will not become what he predicts it to become. He predicts that the conflict he describes between "the rotting structures of the totalitarian state" and "the young structures of the post-totalitarian society" will grow into a "cold civil war"!

I wish ardently (and I think that everyone, both the society and the authorities, wishes it also) that Adam Michnik may prove to be an even worse Cassandra than he is diagnostician. Of course, we cannot content ourselves with wishful thinking alone, because then the wishful dream of the prophet of the "cold civil war" might come true.

It is necessary to create tangible and material proofs that there does not exist any totalitarian Polish state that is exclusively preoccupied with combatting the post-totalitarian society; these proofs may be created by achieving palpable successes through the economic reforms and steadily progressing on the road of sociopolitical reforms. The more efficiently, rapidly, and courageously this is done, the better for everyone. Perhaps we in our proreform aspirations also need a dose of calculated and bold risk? For one thing is certain: if in a smoke-filled room we open a window, the air becomes better immediately and not after 2 or 5 years. That this is really true can be seen from those as yet small brightening spots, among which I include the Poznan state farms which I had partially viewed the other day.

There still remains a separate issue—the opposition and Michnik as its, so to speak, articulator. It appears that the opposition is not as united as might seem from opposing the supposedly united state to the supposedly united society. But let us place this question aside. The opposition can be of some use, and not only that. At

times it evokes less grateful feelings, especially when some of its publicists portray Poland as politically an almost primitive country. In no civilized country does the opposition carry on abroad, in "hospitable" foreign mass media, its conflict with the authorities and is moreover given to excesses. In the case of Michnik's article in DER SPIEGEL these excesses consisted in, first, shedding crocodile tears because, supposedly, "not even a Deutschmark" was received by Poland's creditors, although he is well aware that the total interest payments they received so far exceed in amount our entire foreign indebtedness, and, second, in his making the delicate suggestion addressed to Poland's neighbors beyond the Laba River that they should change their "Ostpolitik" by distinguishing between the better reformers in the Kremlin and the worse ones in Warsaw. This is a bit too much, even for that pure knight of the immaculate opposition.

1386

**Public Opinion Poll: Role of the Church**  
*26000600 Warsaw PRAWO I ZYCIE in Polish*  
*No 33, 13 Aug 88 p 3*

[Text] In May of this year, the Public Opinion Research Center conducted a poll on the role of the Church in Poland.

The answers obtained indicated that it is generally believed that the Church is an institution which serves society well and is in accord with its interests. It ranks first among the country's primary institutions, organizations and sociopolitical groups. Only the Sejm comes close to it in approval (70 percent favorable responses) and the army (66 percent). There is also a widespread belief that the Church plays an important role in the life of the country. According to 39.6 percent of the respondents, its influence on what happens here is large; 22.7 percent said that it is neither large nor small.

In justifying their opinions (answering the question, "What did you have in mind when you assessed the influence of the church, and in what way is it revealed?", the respondents most often made general statements to the effect that the Church has an influence on the behavior and attitude of the faithful (28 percent), it is strong and has authority (6 percent), and takes part in matters affecting the country (8 percent). Those who cited specific examples of this type of activity, perceived it mainly in the political area: action on behalf of national reconciliation, easing the situation in the country—7.8 percent of the replies (including 1.1 percent who mentioned the favorable influence of the Church on alleviating the situation during the recent strikes), participation in decisions made by the government (4.1 percent), partnership dialogue with the government (2.9 percent), expressing its position on political matters (2.3 percent).

The small influence of the Church on what is going on in the country was attributed mainly to the conviction that the government is limiting its activity (8 percent), to the belief that it has no political ambitions and concentrates on its own matters (7.3 percent) or to the bases of the political system (division of Church and State) (3 percent). Very rarely (1.8 percent) was the church accused of not being very active or was the belief expressed that it has lost its former importance and does not have authority among the people (1.8 percent).

The respondents cited similar arguments in justifying their opinions on the reasons for the Church's present influence on the situation in the country ("Why is this happening?"):

—reasons for large influence: the majority of society are believers and the Church has a great deal of influence on them (19.3 percent), the Church is strong and has authority (8.4 percent). Furthermore, it was pointed out, in Poland the Church's influence traditionally has been large (5.4 percent), it constitutes moral support for the people (4 percent), it has the moral duty to involve itself in the matters of the faithful (2.8 percent). Approximately 6.5 percent of the respondents expressed the belief that this stems from its concern for the good of the country and society, and 2.4 percent say that it stems from the weakness of the government, which seeks the help of the Church when the situation in the country is difficult. According to 2 percent of those polled, the reason for the Church's significant role is society's lack of confidence in the government and its policies, and according to 1.3 percent, it fulfills the role of an opposition;

—reasons for small influence: the government restricts the activity of the Church and does not want to cooperate with it (8.8 percent), the Church does not involve itself in politics and has no political ambitions (5.1 percent), its influence is restricted by the bases of the political system (separation of Church and State) (4 percent).

To the question should the Church exert a greater influence on national affairs, 30 percent of those polled answered in the affirmative; 37 percent said that this influence should be the same as it has been heretofore, and 13.3 percent said that it should be reduced (19.5 percent had no opinion). But considering that a large group of those polled believed that the Church has a larger influence at present, it may be said that the majority are in favor of its large participation in not only religious life, but also in social life. It should be remembered that in July 1986, over 40 percent of those polled actually believed that the government has a right to demand that the Church become more involved in solving social and political problems (12.7 percent replied "definitely yes" at that time, 27.7 percent gave a qualified "yes," 28.7 gave a qualified "no", 15.4 percent said "definitely no," and 15 percent said "it is hard to say."

Although we permit the Church to take a large part (or larger than heretofore) in social life, its activities in the political arena arouse opposition. This is shown by the answers to the question whether it should speak out on political matters: only 20.6 percent answered in the affirmative, however, the majority (56.3 percent) was against it—(22.6 percent said it was hard to say). In comparing these figures with those obtained 3 years earlier in the polls taken in March 1985, we see a relatively steady tendency in the opinions of society on this subject, although the group of persons without an opinion has grown greatly.

Despite the fact that a large majority of the persons polled refused, for various reasons, the Church the right to express itself on political affairs, the idea of forming a political party which would cooperate with it was very popular. Asked whether they agreed with the opinion that there should be such a party, 17.9 percent said they definitely agreed, 26.3 percent said they probably agreed, 14.2 percent said they probably do not agree, 11.9 percent said they definitely do not agree, and 29.3 percent said it was hard to say.

Lack of agreement on the Church's political activity appears to stem from approval of the bases of the political system (the constitutional separation of Church and State) or the belief that it has a different calling. But this does not exclude its participation in political affairs if a competent institution for this purpose is formed.

Almost half (47.3 percent) of those polled expressed the belief that there are areas in which the Church should have a greater influence. The perception was primarily in the area of social morality and upbringing problems:

—rearing children and youth (27 percent), shaping the moral attitudes of society (13 percent), upbringing matters (4.8 percent), shaping work ethics (2.4 percent), effect on customs and the cultural life of society (1.9 percent).

Broader participation in the sphere of social policy and charitable activities turned out to be almost equally important:

—assistance in the area of health protection, functioning of the health services (including statements suggesting that nuns be used to care for the sick in hospitals—2.9 percent)—15.6 percent;

—influence on education, schooling, and the teaching curriculum (including proposals that religion be taught in the schools—1.4 percent)—12.5 percent;

—combating social wrongdoing, 1.20 percent;

—social welfare and charitable activities, 11.8 percent;

—general statements, suggesting that the influence of the Church on society, its standard of living and on the State's social policy, should be greater, 5.4 percent;

—activities in support of the family, its stability and family life (including 1.5 percent replies pertaining to the fight against abortion)—4.3 percent.

The persons who expressed the opinion that the influence of the Church in some areas should be reduced (21.5 percent of the total polled), pointed almost exclusively to the political sphere, internal policy and participation in decisionmaking by the government (60.5 percent of the replies), the economic sphere (6.3 percent), and the sphere of foreign affairs (2.6 percent). There was also mention here about the need for less exertion of influence on the upbringing of the young people (4.2 percent), and about restricting the Church's influence on the schools and the teaching curriculum (3.3 percent). For 1.6 percent of the respondents, it is important that the Church withdraw its support for the opposition, and 1.4 percent would like the Church not to interfere in strike situations and the manner in which they are resolved.

9295

**Army Chaplain's USSR Pilgrimage: Lenino, Katyn Commemorations**  
*26000557 Warsaw PRZEGLAD TYGODNIOWY in Polish No 31, 31 Jul 88 p 3*

[Interview with Rev Lt Col Florian Klewiado, deacon general [US equivalent of Chief of Chaplain Services], Polish Army, by Andrzej W. Malachowski: "The Road of Memory"]

[Text]

[Question] Cardinal Glemp declared during his visit to the Soviet Union that 2 years ago he would not even have thought that visit ever possible. I believe that the Reverend Primate has thus emphasized the speed of the changes occurring in the USSR. Rev Colonel, have you returned with a similar reflection?

[Answer] The changes occurring in the Soviet Union presaged the possibility of the trip of the Chaplain Corps to that country. They also are unlocking the prospect of broader contacts.

[Question] How did it happen that the reverend chaplains traveled to the USSR?

[Answer] The preparations started last year. During the visit of the Minsk and Belorussian Metropolitan Filaret I had a very cordial talk with him and happened to mention that we wished we could make a pilgrimage along the route of sites of national memory, sites where Polish and Soviet soldiers had fallen. Metropolitan Filaret sent us an invitation. We made the first visit last

March, for the purpose of preparing an official pilgrimage. At the time, we held talks with the Main Political Inspectorate of the Soviet Army and Navy, the Office for Religious Affairs, and the Moscow Patriarchate, as well as at the Polish Embassy. Everywhere I championed our desire for that pilgrimage. Of course, all this had been coordinated in advance with the appropriate Polish authorities. In the Soviet Union I acted officially as the Deacon General of the Polish Army.

[Question] Was that March visit the first ever postwar visit to the USSR by a Polish chaplain?

[Answer] To me personally that was my first visit. Several years ago a group of chaplains was on a tourist excursion to Leningrad, Moscow, and Zagorsk, but their trip was not official.

In March I presented to the Soviet state and military authorities a proposal for a visit by the entire army chaplain corps. Our mission was to pay homage to the Polish and Soviet troops fallen at Lenino.

[Question] Rev Colonel, your next trip to the Soviet Union was last June.

[Answer] Yes, as a member of a delegation of army chaplains to the millenium celebrations of the baptism of Rus. I brought along the final draft of our July itinerary and worked out all the technical details with the Soviets. In July our Ministry of Defense assigned to us a motorcoach with a driver, and the organizational details, that is, lodging, meals, etc., were taken care of by Orbis Travel. Altogether, our group which traveled in July to the USSR consisted of 44 persons, of whom 35 chaplains.

[Question] Did they include any chaplains who had been personally present at the Battle of Lenino?

[Answer] Unfortunately, not one of them is alive any more. Several years ago the first chaplain of the People's Polish Army and 1 Tadeusz Kosciuszko Infantry Division, the Rev Colonel Wilhelm Kubsz, had passed away.

[Question] Rev Colonel, you said that the main purpose of the visit was to pay homage to the soldiers fallen at Lenino. Was it the sole purpose of the pilgrimage?

[Answer] Indeed, paying that homage was an important purpose, but not our sole purpose. Another, not secondary, but equally important purpose was to establish contacts, get to know each other, which after all is highly important to Polish-Soviet relations. I believe that our meetings with, for example, municipal authorities as well as with enlisted men and officers of troop units, provided both sides with a great deal of interesting information.

[Question] I suppose that the presence of the chaplains in Katyn was an unusually significant, symbolic, and moving part of the visit.

[Answer] Let me add that our Soviet hosts attached unusual importance to our being present at that spot. The Red Army provided an honor company and honor guard there, along with salvoes, and an orchestra gave a lovely rendition of Chopin's funeral march. It was a fully patriotic-religious ceremony, with military honors.

[Question] How does the site at Katyn look nowadays?

[Answer] From a parking lot next to a highway one proceeds along an asphalted path leading toward a forest. First, one passes a monument-tomb of 500 Soviet soldiers executed by the Hitlerites, and some 150 meters farther there is the tomb of the Polish officers, which is maintained very well.

[Question] Has a cross been erected there yet?

[Answer] No, there is no cross. I heard that it would be erected, perhaps this year, but its site would have to be first determined. You surely are aware that this kind of decision is not made by military chaplains.

[Question] Katyn is a special place to Poles. Public opinion is impatiently awaiting an official explanation of that affair, which besides also should have legal consequences. For it is a crime of genocide and as such it cannot be outdated. Hence, once conclusive facts are established by historians, a special investigation should be instituted to identify and punish the perpetrators of that crime, of whom many are surely still alive. It may be that this is the reason why caution must be applied in formulating conclusions. But let us return to that visit to Katyn. Surely it was also a special moment to the chaplains, was it not?

[Answer] Yes, of course. In addition, we also were impressed, as I mentioned earlier, by such a solemn participation of representatives of the Red Army. As for us, we prayed for the souls of the Polish officers fallen there, viewing them above all as war victims. Please bear in mind that there is a multitude of war victims on both Soviet and Polish lands.

That was the first delegation of the army chaplain corps to visit Katyn. Moreover, at Lenino a concelebrated holy mass was held for the first time in more than 40 years. At Lenino the Russian Orthodox Church took part in the prayer.

[Question] But your visit began at Brest.

[Answer] Our principal scheduled ceremony was the homage paid to the fallen at Lenino. But en route we toured Brest and the Brest Fortress, where we laid wreaths and paid military honors to the fallen defenders.

So then our visit did really begin with Brest, and immediately at the outset we were very hospitably received. Later we traveled to Baranowicze, where we met with representatives of the Russian Orthodox Church and the Roman Catholic Church. We prayed jointly for the fatherland and rapprochement of nations. Next, we proceeded to Mogilev, and later to Smolensk and Lenino, where the major ceremony was held, first at the common tombs of Polish and Soviet troops and next at the monument to the Poles. That monument is being kept up in a model manner, with many flowers—not just on the occasion of our arrival. It can be seen that flowers always are there. As a representative of the Lenino authorities said, it is the site of numerous pilgrimages, Russian and Polish. That tomb is, one feels this, a piece of Poland. As in the song about Monte Cassino, "Although Poland is far away," the distance is measured with grave crosses.

From Lenino en route to Vitebsk we stopped by at Katyn, as I mentioned before, where we held a funeral prayer.

[Question] You also visited Katyn.

[Answer] That is a mind-boggling place. There the Hitlerites drove the inhabitants of 17 houses into a barn and burned them. Out of the entire village only the blacksmith had survived, and his figure is reproduced by a statue resembling Pieta. In his arms he holds a dying son. The houses have been replaced with imitation chimneys, each containing a bell, with the bells ringing in a sequence at intervals of about 30 seconds. There are thousands of such pacified villages in Belorussia. It is a sad land.

To commemorate this giant monument, or rather an assemblage of various objects reminiscent of those tragic times, was erected in Katyn, with earth from concentration camps also being brought in.

To complete the chronology of our sojourn, let me add that next we proceeded to Vitebsk and thence to Minsk, Vilna, Kovno, and Grodno, and from there to Warsaw.

[Question] Rev Colonel, what consequences do you expect from that visit?

[Answer] Above all, we expect that this is not going to be our last visit to the Soviet Union. Based on talks which I had held last March at the Main Political Directorate of the Army and Navy, at the Office for Religious Affairs, and at the Polish Embassy, I have reason to believe that these contacts will be frequent. Soon perhaps we shall taken the southern route as far as Odessa and Volgograd and pay homage to the hero cities.

[Question] Rev Colonel, but do you envisage a frequent if not constant presence of the Catholic clergy at sites of Polish graves such as Katyn or Lenino?

[Answer] That is not up to us alone. But there are no obstacles to travel to the Soviet Union by the clergy. For example, while in Vilna I met a Catholic priest who was on a trip there together with a group of his parishioners. And I believe that if some tourist agency organizes a pilgrimage of war veterans to Lenino, there would be no problem if a priest were to accompany them. That would be up to the tour members. But as for obtaining a permit to celebrate mass, that is of course another matter. Still, in Poland, too, this requires approval by ecclesiastical and state authorities.

[Question] Rev Colonel, you said that during your visit to the Soviet Union you met with not only representatives of the Russian Orthodox Church and local authorities but also commissioned and enlisted Red Army personnel. How did they react to the existence of military chaplaincy as a regular part of the Polish Army?

[Question] Let me tell you that these were the friendliest and most interesting encounters. I even feel some pangs of conscience because, toward the end of our sojourn, we let down some people from a military unit in the environs of Minsk which had played host to us. They had prepared a very interesting program for us, providing for meetings with soldiers, tea, a review of military equipment, and a concert, all of which would take at least 3

hours, but we could stay with them for only 40 minutes. We were sorry to leave. There was a feeling of authentic simplicity and brotherhood.

During our meetings, Soviet soldiers mostly asked us how Polish soldiers can participate in mass. They also asked questions about military chaplaincy. I told them that this is a millennial tradition in the Polish army, that there had already been chaplains among the warriors of Mieszko I and in the royal troops, and until 1939 as well, and afterward also in partisan detachments. At the Battle of Lenino a chaplain also was needed. And so it continues to this very day, except that we now conduct our chaplaincy by way of assignments to garrison churches, as in any parish.

Generally speaking, I view our visit to the Soviet Union as unusually important. Not only because a Polish priest in an officer's uniform was able to stand at the graves of those who had fought and died far from the fatherland, even though that in itself is highly significant. What is even more important is that we were able to meet and talk with people and, in sum, get to know and understand each other better. This is capital which will pay dividends in the future and will certainly promote authentic rather than official rapprochement of our nations.

1386

### INTRABLOC

#### GDR Contribution to Gas Pipeline Construction Described

23000135 East Berlin BERLINER ZEITUNG  
in German 6 Jul 88 p 4

[Interview with Dieter Ostertag, party organizer of the SED Central Committee on the natural-gas line, by BERLINER ZEITUNG staff, led by Alexander Osang: "Thousands of Welds Before Finishing the Job"]

[Text] At present 11,000 GDR citizens, most of them members of the FDJ [Free German Youth] are working and living more than 4,000 km away from their homeland. In a region that is as large as the GDR: The Perm construction section of the natural-gas pipeline. Some of them are now in Potsdam. There the sixth conference of "natural-gas pipeline" collectives of party activists is now taking place. One of these is Dieter Ostertag, party organizer for the SED Central Committee on the Central Youth Project of the FDJ. We visited him in Beryosovka, Perm Oblast.

[Question] What results can the pipeline builders submit at the conference table?

[Answer] Above all the "red seam" that we were able to make recently together with our partners from the USSR, Poland, and the CSSR at the completion of the natural gas line "Progress." Before that there were umpteen thousands of weld seams made on the gas-exporting pipeline, 4,600 km long, through which gas for our own republic will also be flowing in the future.

#### The GDR Will Get 7 Billion Cubic Meters

For the services that have been performed on this Central Youth Project the GDR is getting for 1988 a total of 7 billion cubic meters of natural gas from the

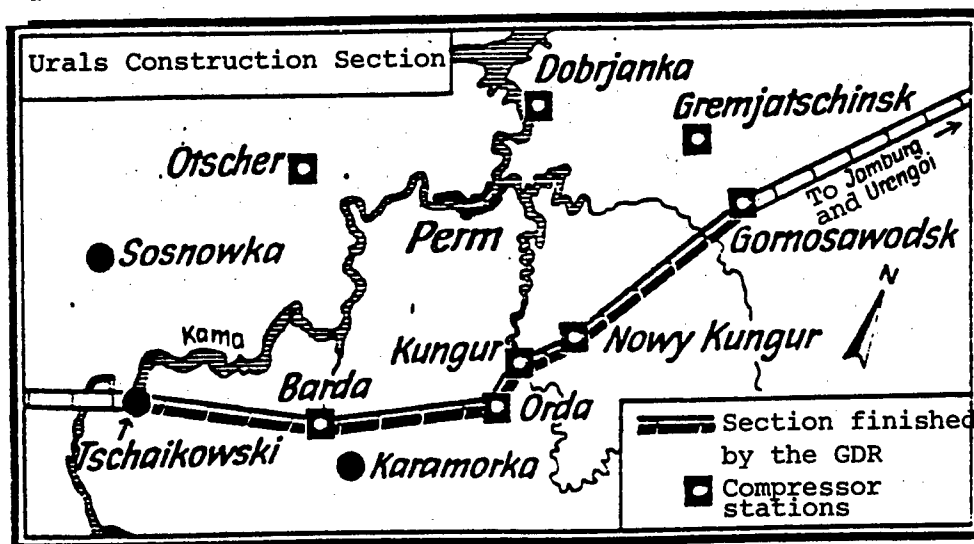
Soviet Union (the construction work is being remunerated, just as are the natural-gas deliveries). That is twice as much as after the construction of the "Drushba" line in 1978. This is a good outcome. But after 1990 our economy will need even more natural gas. From that fact alone it can be understood that completing the "Progress" line by no means signifies that we are through. Just now we are starting work on a line from Jamburg to Tula.

Here our construction work—as was the case previously with "Progress"—is mainly in the Perm area of the Urals. It is in this area that some 80 percent of our line builders are working. Last year they laid over 150 km of natural-gas pipeline and performed substantial services also in the construction of the corresponding residential units as well as in the construction of the compressor stations, which were supplied by the Berlin Power-plant Equipment Construction Combine. These give to the gas at certain intervals or "legs" the pressure needed for its further conveyance. These stations are comparable to medium-sized power plants.

[Question] Where do the most substantial advances lie?

[Answer] We have made technological advances above all at these compressor-station sites, where many different types of jobs must be harmonized within a confined space and where complicated special work must be performed: Whereas in the first work year of "Progress" in 1984 we finished no more than two compressor stations, in the first 6 months of 1988 there are already four in place. Representatives from the construction sites are reporting to the conference of collectives of party activists in Potsdam about how they have managed this and what must be done better in the future. Above all the costs for our construction work in the Urals are still too high.

[Question] Are representatives of our domestic enterprises also conference participants?



[Answer] Yes, so that they can become better acquainted with our experiences and problems. In this connection the responsibility of some of these enterprises must be stressed even more emphatically. This begins with the deliveries of materials, which must proceed without a hitch over a distance of 4,000 km. Every gram that gets to us is almost worth its weight in gold. It can be imagined then how much it costs us for a defective structural panel for housing that we cannot make use of.

Also important are qualified trainees for these construction sites. The training for the complicated technology with which we work on the line must really be completed within the GDR enterprises. After all, the provisioning and accommodation alone for each worker costs 90 marks daily. Thus it is essential to take advantage of each day for productive achievements, and this requires well-prepared specialists.

#### **Every Fourth One of Us Is a Party Member**

How is the party organization functioning—after all, there are a large number of construction sites—and how many party members are there?

[Answer] Every fourth line builder is a party member. The party organization functions above all via the collectives of party activists. These are present at each construction site. Once a week they have a consultation, and even more often if there is a “burning” problem. Here the state of the construction work is analyzed, problems are discussed in order to begin to clarify them, and leadership decisions are explained.

The party members inform their construction teams about these things. Via the collectives of party activists, for example, a model technology that was worked out 2 years ago was introduced to the teams at the compressor construction sites. Due to precise specifications, the Bergmann-Borsig specialists needed 30 days less to completely assemble the compressor components at the “Progress” stations of Barda and Gremyachinsk than was needed on the basis of the old technology.

As a rule it is this way: The party leadership, the collective of party activists, or one of the 13 party commissions for the construction section analyzes jointly with the appropriate site engineer a problem that has emerged. On the basis of this a decision is asked for and its implementation is monitored.

[Question] What role is the FDJ playing? After all, the natural-gas line construction is its youth project.

[Answer] It is playing a crucial role. In the Perm construction section there are about 300 youth brigades. There, as in the GDR, in the FDJ contingent initiatives of an economic nature are being cultivated above all. But a year of FDJ study and recreational activity also come in for their fair share.

An example will show what the youth brigades can do. Last year, we paid enormously large demurrage fees to the Soviet railway system because the unloading of our freight cars was badly organized. We closely studied the situation at the most troublesome railway depot with the highest freight-car inflow and the greatest demurrage charges and then asked the FDJ organization to reorganize the unloading using the youth brigades. Within a very short time one youth collective developed for this railway depot of Novy Kungur a completely new unloading technology. Thereby the demurrages for each freight car dropped from an average of 14 rubles in 1987 to 2 rubles in May of this year.

#### **The Soviet Union Wants the Highest Quality**

[Question] The record construction time for the “Progress” pipeline is an expression of the capability of all participating CEMA partners. In this connection, how should the cooperation between the USSR and the GDR be assessed?

[Answer] This is a job of mutual advantage, in which both sides are striving for high economic efficiency. The Soviet Union wants from us the highest quality and the completion on schedule of the agreed-on work, and we want natural gas. So there are confrontations when something does not go smoothly, but it is equally natural that we mutually support each other. For example, we have been helped very much by the catalog of best values that were turned over to us by Soviet colleagues from the town of Tchaikovsky, who have had much experience in the construction of compressor stations. By now we have even been able to surpass some of these best values. And our drivers have learned from their experienced Soviet colleagues how to cope with the difficult road conditions in the Urals. By making performance comparisons with them, accidents among us have declined sharply.

Quite recently the USSR's main directorate for project construction in the petroleum and natural-gas industry bestowed high praise on the pipeline builders from the GDR for their achievements on the “Progress” pipeline. At the same time this surely indicates that there has been good and fruitful cooperation, which is of benefit to socialism.

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## **HUNGARY**

**Sociologist Ferge Urges New Labor, Social, Unemployment Policies**  
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[Article by Zsuzsa Ferge, university professor, sociologist with the Lorand Eotvos University of Sciences, Institute of

Sociology and Advanced Studies Center: "Full Employment—Employment Policies—Unemployment"]

[Text]

### Is There a Need for a New Ideology?

Today's—or we should rather say: yesterday's—full employment was conceived under the sign of ideology. According to that ideology socialism is the society of work; in this society work is the sole means of sustenance; accordingly, everyone must have a workplace, moreover, a workplace within the state sector which is slowly becoming monocratic anyway. And so workplaces were created. True, the expansion of employment and extensive economic development took place at a low technical and cultural level, and was based on low wage, large volume, modest work. And yet, this was probably the most effective way of overcoming mass poverty, and at the same time, by establishing at least elementary levels of existential security, also one of the most important political sanctioning factors. (Just how important a factor it was may be seen from the crisis of confidence that arose after employment security shattered.)

The problem is (as in any planning effort in general) that ideology required only the formal accomplishment of the goal. Once the formal result was achieved, the political center no longer dealt with the substantive issues of employment, with the internal conditions of the social work organization, with the issue of humanizing labor at least in the longer perspective, and with the related development of general culture, training and technologies. Moreover, following reform, the political center continued to protect the structure that took shape through the regulation of average wages and other means, however indirectly. Thus the mechanisms that stiffened the economy not only hindered the transformation of the production structure, but also squeezed part of the labor force to perform work that was not demanding, required an untrained work force and was often harmful to human beings.<sup>1</sup>

Despite the declared principle of "full" employment, there always existed a 1-3 percent marginal unemployment.<sup>2</sup> This fact had an impact primarily on seasonal workers who are "on the road" for several months. This is the reality, except for the fact that as a result of the essence of autocracy, this fact could not be acknowledged. There could not be unemployment, just as there could not be poverty and homelessness, not for political, but for ideological reasons. And thus the expression itself became a taboo.<sup>3</sup>

By now, even though in an overly delayed manner, the idea that there exists unemployment, and that one can expect an increase in unemployment may be expressed. (The taboo concerning poverty was broken earlier; the taboo concerning homelessness continues unbroken to date.) A long process brought us to this point. First it was said that the concept of full employment "must be reinterpreted": full employment must not mean secure workplaces. A workplace may be lost, but, (according to the position taken during the first half of the 1980's),

there always will be sufficient work. Thereafter the ideology of "we continue to stand firm on the grounds of full employment" spread, but in a manner so that [the provision of] efficient employment became the responsibility of enterprises, while full employment was that of the state. As it turned out, this responsibility could not be easily discharged either. In place of the word "unemployment" some euphemistic expressions came into circulation, such as "there exist transitional difficulties in finding employment." Since 1986 it has become increasingly apparent that for the time being "structural transformation" was to be understood mainly as layoffs, and that under such circumstances the state was unable to provide "full" employment.

Only after this period—that is, during the second half of 1987—did "unemployment" become an accepted word. Simultaneously with the acceptance of this word, the earlier ideology was supplemented by the idea that unemployment—meaning an undefined percentage of unemployment, one that always exists in practice and which may be substantially higher than 2 percent—necessarily accompanies economies which function in response to market forces. In one respect this was a tremendous achievement. The recognition of facts is an elementary condition for normal public life, and at the same time it represents the first step toward managing a problem. On the other hand however, willingly or unwillingly, today's viewpoints lead in the direction of a defensive employment policy, one, which at most, provides retrospective protection.

This is so, because if unemployment is unavoidable, one may be able to perhaps relieve the adverse situation of the unemployed—and many believe that this is the real function of social policy—nevertheless one must "learn" to live with unemployment in the long term. The other prevailing viewpoint, i.e. that "full employment" as a goal must be sustained, but that the concepts of "efficient" and "full" employment must be separated, may be interpreted in several ways. This viewpoint may suggest that by supporting marketable individual or collective undertakings which nevertheless conform to individual endeavors, by expanding the nonmarket sector, and through the intensive reduction of cultural disadvantages and seclusions, the state would endeavor to, and would be responsible for enabling everyone to perform "efficient," or at least acceptable and decently paid work. This, however, is not the primary interpretation which prevails in Hungary today. Instead, the prevailing interpretation holds that there are people who cannot be employed intelligently and "efficiently." For these persons a system "outside of the economy," i.e. outside of the societally accepted organization of labor, must be established. Since these types of works by definition are not efficient, they may be viewed only as the offsprings of some social obligation, as substitutes. The organization, compensation, and the conditions for the acquisition of such work may differ from those of "real" work. This is why there is a place on the list of obligations adopted by the state for wages that are lower than usual, and work organizational forms which are surrounded with more or less penalizing sanctions. This is why this



solution represents the surrender of a societal organization of labor which integrates individuals as citizens having equal rights, because the solution segregates certain individuals on a long term basis. (Those who do not perform "efficient" work.) This is why this approach represents disintegration and the preservation of a "segmented labor market." And this is why once again the right to work may become coercion at one time and grace at another (by now without the Stalin type voluntarism).<sup>4</sup>

Thus, "full employment" suffers a fate similar to many other social values. They did not succeed in realizing full employment through methods applied earlier, just as they did not succeed in achieving equality of the sexes, the actual democratization of education, or "free, high level health care service provisions." This recognition, however, is not followed by self-examination and self-criticism which reaches to the deepest point of the structure. Instead the fiascos are accepted in a fatalist manner. Within this fatalist perception fiascos are not explained by saying for instance that the leadership of society tried to achieve democratic goals without having democracy, and that formal results were more important than the substance. Instead the fiascos are explained by saying that the goal itself was wrong, mistaken and unrealistic, and that therefore it must be abandoned.

Meanwhile the fact that enterprise rationale which accompanies unemployment means macrolevel irrationality and many kinds of waste, and that unemployment is an economic and social "evil" goes into oblivion. Unemployment represents the waste of manpower that could be put to use in a society that has an immeasurable amount of work to be performed. Unemployment is the hotbed of personal troubles, illnesses and suicides.<sup>5</sup> If accompanied by low level or incomplete unemployment compensation, unemployment necessarily increases various forms of criminal activity. And under a liberal unemployment compensation system it decreases the tax base and encourages illegal ["black"] work and other violations. Unemployment not only increases poverty, but introduces a new element into the system of inequality, notably an adversity between "needed" and "superfluous" persons. Accordingly, taken together, unemployment disintegrates and tears apart societies (and from a practical standpoint all societies of today are like that) to whom one of the most important integrating forces is the social organization of labor. That force also creates and strengthens culture. While Hungarian views which failed to consider the negative aspects of unemployment, and which have become official views in the meantime, yet another view gained ground. According to this view the threat of unemployment will instill decency into undisciplined manpower. Views based on the utility of unemployment disregard the fact that the "logic of the whip" in itself seldom resolves fundamental social problems. But the gravest problem concerning this view is that it is erroneous. Lack of discipline never amounted to a problem that would have stood in the way of production in

developed capitalist countries during the 1960's and the 1970's, under conditions of minimum (approximately 2 percent) unemployment and maximum job security.

I believe that a different approach should be taken to the truly needed reinterpretation of "full employment." According to this approach:

- Full employment would be the combination of employment which is rational and efficient from the standpoints of both society and of the economy. In the long term this would mean that people's capacities would be in harmony with the work performed. In the short run, this combination would accomplish at the minimum that subhuman work functions which are barely acceptable by the standards of a given age, would be gradually reduced. Economic efficiency, as understood in the formal sense of that term, cannot be the sole criterion for intelligent work. From the standpoint of society one could consider as deem efficient an action which reduces segregation which destroys society; the relaxation of the system of superiors and subordinates which prevails in work relationships; through habilitation, rehabilitation and adaptive work circumstances the enabling of people with changed work capacities to work (instead of living in misery with or without assistance). (Today, despite regulations in force, the number of workplaces prepared to provide such work circumstances is on the decrease.) And, of course, those types of works which are considered to be "nonproductive" today—health care, education, culture, social, mental hygiene, psychotherapeutic services, research—are also efficient from a societal standpoint. Without these there can be no healthy and cultured social existence, nor can there be an efficient economy. (In these days there are endeavors to reduce the number of persons performing such functions.)
- In reality, full employment must mean the security of the worker, of the working people, and not of the workplace. Moreover, the "mechanismlike" improvement of the workplace structure can be achieved only by movements in that direction.
- This kind of full employment does not emerge spontaneously. It requires many kinds of social actions and demands originating from the "grass-roots," as well as state action, and even in this way the "full" achievement of this goal is unlikely. For this reason, as a matter self-evident, there must exist legally established unemployment compensation even for those who are squeezed out only temporarily, and there must be many kinds of flexible means which can be utilized for purposes of establishing conditions for a "normal" reentry into the work force.

By now there are many who share the view that the state sector is not the only place where "real" employment can be secured. The equal rank of individual and joint enterprises, and of cooperatives with the state sector has been accepted, at least in principle. The reason for the

existence of profit making, and self-sustaining but not for profit organizations, as well as of solutions subsidized by public funds—within a defined circle, and so that those do not fatally undermine the market solutions—is less clear. (The legal and political conditions for the latter forms of employment are still missing.)

The issue of what this new type of “full employment” would do to societally indispensable, and certainly “efficient” types of works is being discussed with increased frequency. Such indispensable and efficient types of work include child care, one building his own house, household work in general, and the long term care of the aged and the infirm. In the framework of this writing we can only touch upon this issue. (The volume of these functions is at least as much as that of work functions which are “societally organized,” i.e. work which secures direct income for work performed!) I view the inclusion of this type of work into the system of payments as problematic, but not only for the known lack of resources. There are two other reasons also. This inclusion would be problematic first, because those affected do not hold a real bargaining position, meaning that their “societal wage” can be very low only (see: child care assistance [GYES]). On the other hand, the problem arises by virtue of the fact that this is the best means by which the already achieved—achieved slowly, with difficulty and in a fragmentary fashion—social status of women can be diminished. The bulk of low paid visiting nurses will be women, and they would have to be grateful for that low pay.

Summarizing what was said thus far: we are in no need for a “new ideology” which reinterprets full employment to the extent that it accommodates any rate of unemployment (perhaps with a changed designation), as well as forms of works which are based on grace and coercion. What needs to be clarified in theory and to be made the subject of societal debate are the kinds of economic and social conditions needed on the one hand, and the advantages and disadvantages of another kind of employment policy which is responsive both to the economy and to individuals. In this policy the earlier, dogmatic voluntarism would be exchanged for a complex economic and social policy. Actually we would be talking about a new kind of relationship between state action, social movement and the marketplace.

#### **Unemployment and the Types of Inefficient Employment**

Every capitalist country is familiar with two forms of unemployment: the open, (manifest) unemployment, and the invisible, (latent) unemployment. The victims of the first kind of unemployment report to employment agencies. They are seeking work, they are accounted for, and generally receive some form of assistance. The latent unemployed are those who do not appear at employment agencies to seek work, because they know that such efforts are useless. In the given area there is no work

commensurate with their training or lack of training. For this reason there are no statistical data concerning these people—there are estimates at best.

In Hungary the manifest unemployment rate was indeed low, but the (artificially sustained) manpower shortage was great. Latent unemployment was not particularly characteristic either along with the high rate of male and female employment, but it always existed in certain areas and settlements which were disadvantaged or had a disproportionate employment structure. If in such settlements there opened a new nursery or a subsidiary offering simple physical work, 10 or 20, and on occasion more applicants appeared seeking jobs—mainly women working in their own farm, perhaps the elderly or those who commuted very long distances.

Latent unemployment is rapidly increasing today. Among the hidden—not accounted for—unemployed we find those who for the first time seek jobs and find it increasingly difficult to find jobs; untrained workers, whose jobs were done away with at the centers and who have returned to outlying settlements, or women or commuters whose commuting costs are no longer paid by the employer. Their number is unknown because they are not registered. As long as the number of dismissed workers at any one point in time remains below 10, the enterprise is under no obligation to report the dismissals, and the dismissed have many reasons not to seek out the labor affairs service offices. To do so would be an expensive (no one reimburses the cost of travel) and rather futile undertaking, since there is hardly a chance to find a job opportunity, and the candidates cannot count at all on receiving unemployment assistance.<sup>6</sup> In addition, a new form of latent unemployment is taking shape: the unemployment of retired persons who are still capable of performing some work. These persons are not unemployed in the classic sense of that term. They cannot establish a right to work, nor can they be forced to work. In theory, these people have an existential base. But that existential base is becoming increasingly insufficient to provide a minimum standard of living for more than half of these persons. The only way they are able to make their lives bearable—to pay for their living expenses—is to find and to accept work. (I will not mention the psychic and social meaning of their work.) Such work opportunities, however, are becoming increasingly rare, and one can expect that the number of such opportunities will decrease.<sup>7</sup> As an aside: if, in the “first economy” the devaluation of low wages due to inflation continues, an almost similar competition will take shape among active employees: competition for the narrowing job opportunities within the “second economy.”

In addition to “manifest” and “latent” forms of unemployment that also exists elsewhere, in Hungary there exists a third type of unemployment which in some respects is peculiar. This is the “intramural unemployment,” or more accurately: “inefficient employment according to formal management rationale.” This, of

course, is once again the combination of several—only partly related—employment, economic and technical problems. Its justifiable component could have been the need to reduce excessive labor intensity. Had there been fewer new positions than applicants, the division of positions in the interest of a rapid increase in employment could have served as a temporary justification. In reality however, the “justifiable” elements did not become consciously justified (and thus it is possible that in many places intensity today is much greater than at many capitalist firms, and therefore there was no effort made to multiply full-value work positions.) At the same time the justifiable elements became inseparably mixed up with the known mistakes of planned management—with not planned, not paced work at the enterprise level—and with the lack of technological discipline. For this reason, during slow periods there was much unused manpower, while at the end of plan periods a need emerged to increasingly drive the swelling work force.

The rigid adherence to formally realized full employment and to the need for wage differentiation, brought about the system of average wage regulation in which the number of low paid “straw men” has increased and was made permanent within the enterprises. Thus the separation of the work force into “useful” and “overload” categories began within enterprises, and continues at present outside of the enterprises.<sup>8</sup>

Thus, the category of employment “for economic purposes” which was organized in an irrational manner from the outset, included the social elements of employment which exist everywhere, such as pregnant women, and women with little children who must be treated gently; employment of a substantial part of people afflicted with physiological disadvantage; the “employment stemming from social considerations” of those struggling with social and cultural handicaps (the semi-literates, etc.); and the employment of those who are forced to take jobs as a result of lacking social policies (the sick, mothers with several children, or single mothers with children).

The latter type of employment was necessary because social policies became subordinate to the ideology which advocated work as the sole legitimate means for sustenance. All existential services, ranging from family supplements to pensions, moreover, including most types of assistance were tied to employment relationships (to the employment relationship of the person in need, or of the person providing for the needy). Even those born disabled receive assistance permitting a minimum level of sustenance only since 1 January 1988.<sup>9</sup> Thus, it became an elementary political interest to establish as many employment relationships as possible, and this served as a substitute for independent social policies. The other side of this problem is that sociopolitical tasks burdened the economy (the all encompassing “full employment”), or the health care sector (sick pay or disability pension replacing unemployment compensation); or the domain of criminal law (the legally sanctionable employment system).

It is difficult, of course, to draw a line between “economically efficient” employment on the one hand, and intramural under-employment not stemming from social considerations versus employment relationship based primarily on social considerations, on the other. In the developed world today there hardly exist any longer employment relationships which do not include social and humane considerations. This is a result of demands made by the labor movement or by other political movements. They became accepted as a result of an understanding that physically and mentally constrained workers are unable to work at a high level of efficiency. The prohibition of child labor (some 100 years ago) was the first step in this direction. Using legal avenues, it placed the interest of social reproduction ahead of economic interests. During the past 100 years, and particularly since the almost 70 years of existence of the International Labor Organization, countless orders, and several dozens of international agreements addressed the issues of limited work hours, job security, the protection of women and men as well as the healthy and the sick, and the strengthening of employment out of “social” considerations.

There are societies in which economic, social and humanitarian interests in and of themselves are clearly justified, including clashes between these interests, which appear to be unavoidable today. There exist institutions—the market on the one hand, and social interest organizations on the other—which express these diverse interests. There also exist legal and political means and forums through which compromises between interests can be reached. Under such circumstances it becomes clear which societal and human interests can be managed within the economy or within the framework of a societally recognized division of labor on the one hand, and which interests must be treated in a manner detached from the economy and from the performance of work through sociopolitical means. (The dividing line between these two areas is constantly changing, of course.)

In Hungary all these institutions, means and forums either did not undertake the performance of these functions, or were completely missing. Frequently, opposing interests either washed or the stronger interests suppressed the weak ones. The economic crisis clearly surfaced these overlaps.

Many envision the road to recovery in terms of putting an end to these overlaps, by clearly delineating “economically rational employment” and “sociopolitical” considerations. The need to see clearly (which I believe is a justified need), became mixed up with the application of clear chemical formula however, (which I believe cannot be realized and is damaging). The view that the economy, and within that, employment policies must be “purged of sociopolitical considerations” and of every factor that restricts or limits economic efficiency is increasingly gaining strength. If the employment of women or of untrained persons is inefficient, they should

be outside the gate. If protected workplaces or those who employ persons out of social considerations are unprofitable, they should cease to exist. Sick pay and disability pension should function pursuant to their purposes: they should not cover up the lack of rational employment opportunities, meaning that they should not serve as substitutes for unemployment compensation. If someone is able to secure work at a cost which is higher than average (e.g. if he must commute), or if he wants to secure a "better" work opportunity (and in order to accomplish that he requires training or continuing education), part of these expenses should be covered by the employee.

Within this ideology "economic efficiency" gains definition in its most classic form, in other words, on the basis of short term, and merely enterprise level cost benefit analyses. Correspondingly, the view which has always prevailed and has always exerted an effect in Hungary: activities that show economically measurable returns only in the long term and indirectly, or which manifest efficiency only at the macroeconomic level (teaching, research, and a significant part of health care and social services) are viewed as "nonproductive," is gaining strength. These branches, (or more appropriately "human spheres") may count on continuously decreasing central resources. Accordingly, the people who work in that sphere must suffer the fate of the "nonefficient" work force—they become superfluous.

Yet another issue which transcends the scope of this writing is the kind of expertise and the kind of never publicized considerations by which institutions and activities are slated for abolition, or are deemed to be "background institutions." Slowly, a picture emerges, by which background institutions are those which exist for the sake of councils and ministries, the ones which serve the functions of these councils and ministries. This includes educational and career counselors and family helpers. It would be worth pondering, however, how much damage was done by discontinuing functions that paralleled these in industry and commerce—in contrast to the present strong endeavors to establish such "parallel" units which function with less bureaucracy, are more flexible and compete with one another. It would be interesting to find out why those in charge believe that what proved to be incapable of functioning, rigid, bureaucratic and wasteful in production would become useful in the area of cultural, educational and human services—places which require particularly great sensitivity to adjust to the extremely diverse needs of the population, and where the role of personality is unusually important.

These systems of activity may be evaluated in the framework of the traditional terms of economic rationale only at the price of severely distorting the operational rules of the human sphere. Quite naturally, in this area too there is a place for proper work organization, for substantive work and for rational thrift, but the evaluation of "efficiency" is far more complicated than in the

economy. The present treatment of the sphere called "nonproductive," in which short term, or narrowly perceived austerity programs appear in the disguise of a struggle for efficient employment, severely endangers the somewhat long term interests of society, the training of specialists, all forms of acquiring culture, the keeping in step with international research (which has been limping all along, anyway), and even the possibility of ensuring conditions for healthful life. And if trained experts are simply dismissed from this sphere—experts, who within frameworks established elsewhere could do something to lift up our low everyday and professional culture—indicates that human resources and intellectual capital is managed badly. It is true though, that their unemployment will be temporary only. They will prevail as a result of their convertible knowledge. The only question is whether their knowledge will produce the most "public good" in dancing schools or in private lessons for which they get paid for.

In the final analysis, the extent to which the management of social problems, humanism and tolerance has a place in employment should be clarified scientifically, through social means and in political terms; to what extent to people who were born with or into adverse situations have a right to be "full members of society," and within that to perform intelligent work. The answer may be that there is no right at all, or that there is very little right, because maximizing formal economic efficiency is the sole guaranty for an economy that functions well. At this point, however, a modern Taygetos [mountain range between ancient Sparta and Messina] must be established, and/or a far more expensive sociopolitical system than what we have today. If, on the other hand, humanism and tolerance plays a role everywhere, then those considerations must receive far more legitimacy and many more means than what they have today. Where, how and how much—these are the "only" issues to be clarified.

### Managing Unemployment

The manner in which unemployment is to be treated obviously relates to the question of how a given society recognizes the causes of that phenomenon, and whom society holds responsible for the problems. Mass unemployment at the time the capitalist system evolved is a historic fact. At that time society did not have the means to properly interpret the phenomenon. For this reason the unemployed were judged pursuant to categories that evolved earlier. They were divided into two groups: the worthy and the unworthy. The unemployed who were "able to work" were marked as not working due to their own fault, or as vagrants. Accordingly, this group could not count on receiving assistance. Moreover, if unemployment became a mass phenomenon, the victims were subjects of severe punishment (labor at the galleys, being stigmatized, on occasion execution, and later: work houses).

Only in the developed market economies, more or less toward the middle of the 19th century did it become recognized that there was a relationship between property conditions, the functioning of the marketplace and unemployment. And it took a long time before societies acknowledged the fact that if unemployment had its roots in social problems, the responsibility was joint, and the victims had a right to public assistance. The labor movement played a significant role in the latter development, i.e. the fact that a significant part of market economies accepted the legitimacy of the system of unemployment compensation in the end. Wherever the movement was weak—such as in prewar Hungary—the attribution of unemployment to bad luck or to one's own fault survived, and so did the penalizing rather than the helping approach to managing the problem.<sup>10</sup>

More recent management of unemployment in Hungary followed a path somewhat similar to capitalist developments, but followed ideological changes more than it did historical changes. As long as ideology denied the existence of unemployment, unemployment situations were understood to be the results of personal deviance, and as the phenomenon spread, as the deviant conduct of small groups.

Until the early 1980's the bulk of those affected consisted of inadequately trained persons, of people in between occasional jobs, and those who were left out as a result of the great social transformations. Nevertheless the phenomenon was supposed to be understood to have been caused by "personal mistakes" made by the unemployed, rather than by social causes. This understanding was enhanced by labels which were used in the administrative process also—labels including "migratory bird," "sick pay fraud," "goofball," "undisciplined manpower," "ex-convict," etc. Once these persons were outside the gate—and this took place with increasing ease—their rehire was prohibited by no one (at most they had to find jobs through the "obligatory work referral process").<sup>11</sup> But the press presented news and commentary which approved the dismissal of such persons also, as well as their rehire at new workplaces. These reports suggested the need for a new political conduct on part of enterprises, which have gotten "used to" satisfying political expectations ever since the 1950's.

Thus, responsibility for the phenomenon was shifted to the affected parties who could be treated as culprits. As undeserving individuals neither they nor their families were entitled to any assistance. (Even as of today, family supplement and educational assistance can be provided only to children whose parent has a regular work relationship.) More disturbing cases would be referred to the administration of criminal justice. In addition to a more stringent judicial view of work discipline violations, a new punishment in the form of stringent corrective and educational work system evolved since January 1985 (which amounts to the renewal of the prewar institution of work houses). The strengthening of the scapegoat mechanism coincided with the ever-present antigypsy

prejudices. Thus the rapid deterioration of the objective situation of part of the gypsy population was not the sole consequence. (They were the first ones to be dismissed. Their reemployment—aside from public service work—became virtually hopeless. Many were excluded from receiving social security provision, including family supplements.) The gypsies' threatened situation concealed a threat to outsiders: misery became visible and a source of danger. As a result the hatred of gypsies assumed unprecedented force and overtness, resulting in painful and alarming consequences.

The failure to recognize unemployment, alternatively the criminal sanctioning of unemployment began to relax in the middle of 1985. At first an order provided for "retraining assistance," however the program's scope reached only a tight group, provided insufficient funds and had little institutional support.<sup>12</sup> This remained the sole positive step until the middle of 1986, when a Council of Ministers' decree was promulgated concerning extended notice of layoff and reemployment assistance.<sup>13</sup>

The force of instilled habits however, was so strong that this step too went only halfway: the state accepted only partial responsibility. The decree provides protection to those who are dismissed for causes "related to the employer's operation," and, according to subsequent interpretations: for causes "related to economic management," in other words, those whose dismissal enhances in principle the restructuring of the economy. Without saying so, dismissals which fall outside the pale of economic restructuring have no structural purpose, meaning that they only serve to reduce "waste."

Accordingly, those who are dismissed because in earlier days they themselves were the subjects of wasteful spending do not fall under the Decree's purview. No real line can be drawn of course between the two kinds of "overemployment" and the two kinds of dismissals. (If for no other reason, the decree is difficult to interpret because who can tell which dismissal depends, or does not depend "on the employer's operations?") The restrictions are so strong that by the end of 1987 only 332 persons received reemployment assistance.

The Decree drew an artificial line between the two kinds of over employment. It views a dismissal having an economic purpose only if at any given time more than 10 persons are dismissed by the enterprise, alternatively, if the enterprise ceases to exist. Persons dismissed in smaller groups continue to be "unworthy." Accordingly, neither they nor their families are entitled to income supplements. It is known that enterprises have a way to frustrate these provisions of the Decree by dismissing many (even more than a thousand) persons one by one, or in smaller groups, at the enterprises' discretion. Although the enterprises have no interest in pursuing this absurdly inhumane solution (because the costs of the extended period of notice and of reemployment assistance are directly covered by the state), experience shows

that enterprises follow this practice rather frequently. In such cases the enterprise is not obligated to report the layoffs. Consequently there is no statistical information available concerning the number of persons dismissed in groups of less than 10 during the preceding 2 year period be that for disciplinary reasons, or with the adverse notation: "quit," which has the effect of depriving the dismissed employee of his rights.

The differentiation between the "worthy" and the "unworthy" unemployed may be explained by an intent to save funds; with the need to weaken the sense of solidarity among the unemployed; and by saying that the composition of the two groups is different. Whenever the dismissals are "structural" in character one finds that the victims are recruited from all levels of the social hierarchy. Those "dismissed by virtue of their own fault" had been selected from the outset. They are the weakest, the untrained, the sickly, the slow, the ones who frequently fail to report to work because of their child.<sup>14</sup> Accordingly, the social strength of the first group is greater, and therefore one must handle these persons with gloves on. (In any event, after a certain period of time the difference between the two groups fades away. Those dismissed are "skimmed." Better prepared and more clever persons will be reemployed—the rest will assimilate with the weak ones. Their fate will be similar with the passage of time—if unemployment lasts beyond a year there exists no chance for assistance at all.) We should state here that neither of the above explanations provides assurances.

What we have said thus far is valid to date. By now it has become apparent however, that the approach to unemployment thus far has been mistaken. One must not shift the burden of responsibility even partially to the victims in case of a problem which has societal origins. Tensions flowing from the shattering of existential security are increasingly strong.<sup>15</sup> Criticism is gaining strength at many levels. In some places the seemingly extinct tradition of solidarity interest protection has revived. This is signaled by the emergence of the Occupational Council organized by the trade unions; the organizing efforts of the unemployed; or by the fact that certain institutions reject the gains (salary increases) resulting from dismissals, and prefer to make financial sacrifices in order to avoid dismissals. The strengthening of these movements can be partly credited to the fact that as of recently, by virtue of financial constraints affecting cultural and scientific institutions, down scaling threatens or touches groups prepared to defend their own and others' interests better than the average groups. (True, those "in charge" are making attempts to take advantage of this situation in order to disintegrate solidarity. They say that untrained people may now relax because persons holding diplomas also experience the same fate.<sup>16</sup>

All these developments stimulate or force the political sphere to take new steps. Aside from internal problems, the state is prompted to act by the country's need to preserve its good reputation: the civilized management

of unemployment is part of a favorable international picture. Among the pioneers of change there also are state labor affairs service offices. They are confronted daily with today's problems which cannot be resolved.

Accordingly, changes are unavoidable.

### Pathfinding

Indeed there are signs of the intention to change. Since the last quarter of 1987 the opportunity to receive pension at a lower age has broadened. Beginning on 1 January 1988 an Employment Fund was established.<sup>17</sup> One reads about several conceptions concerning the development of a labor affairs service network, providing new services, such as the expansion of advisory services regarding career course correction.<sup>18</sup> One hears of plans to abolish the 10 person limitation, and to elevate eligibility for family supplement and GYES to the rank of citizen rights. In some places the idea of "active employment policy" emerges as a strategy to be followed.<sup>19</sup> There is more and more talk about youth having difficulties in finding jobs, and concerning recommendations by KISZ and by AISH [abbreviation unknown] which intend to resolve these difficulties. Notwithstanding the above, the situation is not reassuring.

Quite naturally, lack of money is the fundamental problem. At present, the Employment Fund has 1.2 billion forints. The decree provides that retraining assistance, reemployment assistance, the extended notice of termination and retraining courses for those not having employment relationships must, and public service work, early retirement, investments which create jobs and other forms of assistance may be financed out of these funds. For all practical purposes the Fund would be exhausted should the number of registered unemployed persons increase to only 25,000 (which represents 0.5 percent of the work force and is a very low rate of unemployment).

The practice of beautifying the situation (or self-satisfaction) still exists. Speaking of the new retraining assistance program for first job seekers to be introduced in 1988, and in regards to the reemployment assistance program that had its start in September 1986, subject experts believe that "the introduction of these two employment policy measures took place at the right time, when employment problems had already appeared, but have not yet reached mass proportions."<sup>20</sup> This self-assured calm is troubling because prospectively it makes it permissible for actions to drag behind the events.

The outlook which blames the victims changes with difficulty. In part, this is why the abolition of the 10 person limit is delayed. The steadfastness of this outlook may be seen in the fact that using these grounds, even as of mid-1987 it was possible to deprive some persons from the ultimate life saver: the opportunity to perform

public service work. "Only those persons may be hired to perform jobs reserved in the framework of public service work programs who, of no fault of their own, are unable to find employment, who were unable to gain employment at another employer, and who could not be expected to start working within 30 days."<sup>21</sup> As a matter of fact, public service work is performed by very many persons who are unemployed by virtue of their "own fault,"<sup>22</sup> but, in principle, on the basis of the Decree, anyone may be excluded at any time because the term "one's own fault" can be interpreted very broadly.

Plans thus far are silent concerning a few, seemingly small problems, which on occasion assume the scope of one's survival. There are no plans for the time being to provide assistance to those who are unable to find employment even after a year; to those, who have no money to travel so that they could visit the employment referral service as frequently as necessary; to those whose reduced capacity to work does not reach the level of 67 percent disability, yet, whose disability is sufficiently severe to present difficulty in finding employment, or to make it impossible to find employment; and to those, who need something different than "retraining."

A number of matters are being delayed for bureaucratic reasons, which may be explained only jointly by the shortage of funds and the slow change in outlook. This is so, because a number of decisions are being delayed claiming that exact rules and criteria had not been developed. (This is the case in regards to the abolition of the 10 person limitation, and in the case of the opening of the Employment Fund.) It seems that the persons responsible for making decisions do not realize that those who for weeks and months are left without a livelihood, and for whom, after a while, the processes of becoming impoverished and of self-surrender become irreversible, are far more poor than the state coffers are empty. Further, it seems, that with respect to issues responding to strong interests (e.g. the introduction of the tax system, or price increases) it is permissible to introduce not perfectly prepared measures, in other cases, however, it is not.

Beyond these momentary troubles the really large question is this: how serious is the commitment to satisfy the need for preventive and active, rather than passive, and retroactively adjusting employment policies. All signs indicate that in terms of developing principles for, and realizing the practice of active employment policies, the Swedes have progressed farthest. They are applying numerous methods for harmonizing the supply and demand of labor, investing 3 percent of their gross national product for such purposes. (In Hungary this would amount to 30-40 billion forints.) The safety net is spread by an expanded work-force service, which has more than 200 offices and 5,000 officials. (Hungary has a work force that exceeds [the Swedish work force] by 1 million, but has only about 70 offices with 300-400

officials.) This much is true nevertheless: the measures of an active policy for the work force are already known in Hungary, and at least the system has moved in that direction.

There are at least two points, however, where the Swedes have gone further than the most confident Hungarian expectations. On the one hand, (and in this respect they are not alone,) they began thinking in the long term concerning future expectations from technological and social development—what requires preparation and what kinds of actions are necessitated today by long term processes. On the other hand, (and this seems like a Swedish peculiarity,) they have in part established, and in part permitted to function an economic and political milieu in which an active policy pertaining to the work force can function relatively free from constraints, and yet is capable of functioning efficiently.

In a manner that cannot be detailed here<sup>23</sup> this system of conditions includes the so-called solidarity wage policies; the anti-inflation policies; the so-called wage earners fund; and supportive of all this, a rather strong labor union movement.

The usual response to Swedish examples is that for them it is easy—they are rich. This is true. But one must not forget that such policies do not come about automatically even in wealthy countries (see for example Belgium or Holland). Equally, one must not forget that the Swedes were poorer than Hungary is today at the time they began to develop the principles and viewpoints of these policies, in the aftermath of the 1930 crisis.<sup>24</sup>

Quite naturally, neither the Swedish, nor other examples can be copied, nevertheless one can learn lessons from those examples. One of the very general lessons, applicable on an international scale is that unemployment in modern economies does not hinge only, perhaps not even primarily, on the marketplace. Unemployment depends on the functioning of the political sphere and of economic policies.<sup>25</sup>

Hungary is implementing or planning series of reforms today. Not only time separates these two functions. It is rather difficult to recognize common elements which would combine partial reform measures into an organic whole at a later date. Yet, there are certain matters that can be recognized. These are thrift and the search for financial balance, monetary restrictions, increasing the role of the marketplace or decreasing that role, according to others. These elements, however, either signal today's constraints, or, have limited application, if they transcend those constraints. Even indirectly, they are far from embracing comprehensively the most important processes of social existence and reproduction. It is difficult, of course, to find a comprehensive principle which would not carry the threat of voluntarism. Nevertheless one such common element could be for instance, the new relationship between "self-organizing" efforts and the state, which yields much greater ground for



self-movements, while at the same time regulating these self-movements according to some principles and values to be adopted in a democratic manner.

Only in this context can one realistically perceive an employment policy that functions well. Absent this context, employment policies remain isolated, cannot relate to other processes and cannot take advantage of different means. This creates a problem because the means provided by employment policies alone will never suffice for the management of severe employment concerns. But once again, the linkage with other kinds of reforms cannot be willed from "above." A number of political interactions are needed in order to accomplish this. Accordingly, as a last resort, the fate of new work-force policies will also hinge on the extent to which it will be possible to change the political institutional system.

#### Notes

In December 1987 the Sociopolitical Council of the PPF held an all day debate on issues pertaining to employment and unemployment. The debate was based on studies, which in part were prepared by persons working at the relevant state administrative institutions (ABMH, MIK [abbreviation unknown]) and in part by researchers. Much of what is written hereafter relies on what was said at the Council [meeting]. Accordingly, I would like to express my appreciation to those who assisted the Council's work with their words or writings. The following materials were prepared for the Council session:

Laszlo Boros: "Structural Change and Youth Employment;" Agnes Deak, Ilona Gere: "The Social Consequences of Manpower Management and of Unemployment, Experiences Gained from 'A Sziget' ['The Island'];" Maria Frey: "Developing Further the Instrument System of Employment Policies;" Anna Hedborg, Rudolf Meidner: "The Model of the Swedish Welfare State" (translation, background material); Pal Juhasz: "Unemployment, the Creation of Jobs, the Invigoration of the Economy;" Csaba Mako, Tamas Gyekiczky: "A Few Comments on Unemployment and on the Possibility of Conducting Unemployment Research;" Anna Matoricz: "Data Concerning the Labor Market;" Erzsebet Szalai, Istvan Kukorelli: "The Political Management of Unemployment—Interest Groups Concerned with Unemployment."

#### Footnotes

1. There is a relatively large number of gypsies at the bottom of the social ladder, in other words, those who performed the worst kind of labor in earlier days and also today—seasonable workers and nowadays a majority of the unemployed. In contrast, however, the majority of neither the unskilled workers nor the unemployed is gypsy. In the following I will not examine the gypsy issue specifically, because this would disrupt the framework of this study. I will only make references to that issue in the context of certain cases.

2. Calculations concerning the size of unemployment may be found in e.g. Peter Galasi: "A Few Characteristics of the Fluctuating Labor Force," *MUNKAUGYI SZEMLE* August 1978; Zsuzsa Ferge: "How Full is 'Full Employment'?" *Social Reproduction and Social Policy*, Economic and Legal Publishers 1982 pp 122-128. The always existing unemployment of 1.5-2 percent probably is the level below which the full employment level cannot fall. This is so because, unless stringent constraints are imposed, there are always some who are between jobs, those who "choose" to pursue occasional work, others who do not perfectly accept the prevailing standards, and yet others, who as a result of technological development become "marginally unemployed."

3. One of the causes of ideological rigidity is tied to the issue of property. In principle, state property constitutes public property, owned in part by the worker. If this is so, the worker will never deprive himself of his own property, and simultaneously, of the basis of his livelihood. The dismissals make it evident that those who work for state-owned firms are not at all owners. The paradoxical situation presented by the coexistence of public property and unemployment has not been expressed and digested to date.

4. "Public service work," introduced in 1987, combines several elements of coercion and grace. On occasion it supplements missing sociopolitical services. Such work may be performed e.g. by sick people no longer eligible for sick pay, single mothers who bring up several children, and persons suffering from severe alcoholism. In other instances (despite the wording of the applicable order,) strong coercion exists in the course of recruitment for "public service work." For details see: Pal Zavada: "Case History Concerning the Performance of Work in the Public Interest." Hungarian Academy of Sciences, Sociological Research Institute, 1987.

5. For related literature see: e.g. Csaba Mako's and Tamas Gyekiczky's study mentioned in the final note).

6. For these reasons one should view the data provided by employment agencies with great reservations: Such as the data reported several times, according to which the number of unemployed in the second quarter of 1987 was almost 10,000. That number applies to "persons having no employment relationship and seeking jobs who appeared at the manpower referral organs." (For related data see e.g. Gyula Pulay, Anna Matoricz: "What One Should Know About Unemployment," *OTLET* 1987 year-end edition.) According to the personal statement of Anna Matoricz, director of the Labor Affairs Information Center, her office is endeavoring to make the data more authentic, for example by making reporting requirements placed upon enterprises more stringent.

7. Zsuzsa Szeman's ongoing research at the retired persons' work referral service indicates an extremely difficult situation for aged, infirm pensioners, and especially for handicapped pensioners, according to Szeman.



8. Concerning segregation within enterprises see e.g.: Balazs Kremer, Pal Zavada: "Occupational Positions—Social Situations," SOCIAL RESEARCH No 1, 1988; or the interview with Gabor Havas, by Miklos Gyorffy, MOZGO VILAG No 12, 1987.

9. I view this action, despite the low level of assistance provided, as an important step in the development of social policies. This is so because the services are not tied to employment relationships and to financial need (poverty), but rather to objective, existing needs.

10. Concerning the management of unemployment in pre-World War II Hungary see Zsuzsa Ferge: "Chapters from the Domestic History of Poverty Policies," Magveto Publishers, 1986; Gyula Borissza: "the State's Role in Work Referral Between the Two World Wars" (Manuscript).

11. The practice of obligatory work referral has returned several times since the 1950's, or at times when the entire manpower situation was tense, or when the political sphere wanted to rein in individual groups (for example, those who changed workplaces more than three times.)

12. The new retraining assistance program is regulated by State Wage and Labor Affairs Office [ABMH] Order No 8 of 1 August 1986. In its essence, if someone retrain a dismissed employee, the state guarantees the difference between the earlier earnings of that worker and his present earnings for not more than 30 months (payable through the enterprise which provides retraining). In 1986, 8,000 persons received retraining assistance, while during the first half of 1987, 6,100 persons were aided. These numbers are very low compared to the needs. In addition, a problem presents itself in the fact that retraining may be obtained only by employed persons, and only at the employer's initiative. At present an expansion of the opportunity is planned so as to cover persons who do not have an employment relationship.

13. Council of Ministers Decree No 26 of 16 July 1986 provides that "in the event that it becomes necessary for an employer to terminate more than 10 employees at one time for reasons related to that employer's operations," the notice of termination may be extended for a maximum of 6 months. If during this period a worker does not succeed in finding employment by taking advantage of the manpower referral service, reemployment assistance is due (for an additional 6-month period). Only after the manuscript was sent to the printer did they promulgate a new decree on 1 April 1988 which abolished the 10 person limitation.

14. See: Karoly Fazekas, Janos Kollo: "Labor Market Without Capital Market." Hungarian Academy of Sciences, Economic Sciences Institute, Budapest, 1987.

15. The Fall 1987 sociopolitical public opinion search revealed that since 1984 the ratio of those who believe that there is—and one can expect—unemployment, has increased significantly; 66 percent believes that there are difficulties, and 81 percent believes that there will be difficulties in finding employment. Preliminary Report of the Mass Communications Institute; prepared by Robert Angelusz, Lajos Geza Nagy, and Robert Tardos, December 1987.

16. This comment, with a number of similar comments, was radio broadcast on 18 January 1988 as part of the program "Direct Connection."

17. Council of Ministers Decree No 52 of 15 October 1987 concerning the establishment of the Employment Council and in regards to early retirements to implement employment policies.

18. Gyula Pulay, Anna Matoricz: op. cit.

19. Ibid.

20. Ibid. p 15.

21. No 8001/1987 (Volume 15, Labor Affairs) ABMH-Ministry of Finance joint communique concerning public service work.

22. See: Pal Zavada: op. cit.

23. For more details, and for the primary sources see: Zsuzsa Ferge: "The Economy and Social Policies," GAZDASAG No 1, 1988.

24. See e.g.: Gunnar Myrdal: "The Sociopolitical Dilemma," SPEKTRUM No 4, 1932 Rough translation.

25. Goran Therborn: "Why Some People Are More Unemployed Than Others?" Verso, 1986.

12995

## POLAND

**Foreign Firms Bid on Warsaw Airport Expansion**  
*26000583a Warsaw RZECZPOSPOLITA in Polish 8 Jun 88 pp 1, 7*

[Text] Eight Western firms from Japan, France, Holland, West Germany, Great Britain, Yugoslavia, and two in Austria, bid on the construction of a new International Air Terminal (IAT) in Warsaw. The results of negotiations will be announced soon—in the fall of this year. At this time, the designers have completed the final concept, which was presented to journalists at a press conference on 7 June.

It appears that the IAT II will be a two-level building, with a surface area of 30,000 square meters, 26.5 meters high, built on the right side of the present terminal, which is now 20 years old.

Of course, this is not all. Along with construction of the terminal, a new infrastructure at Okęcie has to be created. A technical-operations service building will be built, a new freight depot large enough to handle 50,000 tons of freight and 10,000 tons of mail, a food-preparation plant (for onboard meals) large enough to prepare 15,000 servings a day, multi-level parking, etc.

Connecting Okęcie to the rest of the city by a transportation system constitutes an enormous problem. It is expected that the basic transporting vehicle will continue to be the bus, or generally speaking, vehicle transport, although the idea of rail transport, via the Radom line, is being considered.

Although the terminal will service only 3 million passengers, another 2 million has to be added to that figure—those which the old terminal will service, because both of them will be functionally connected. When? It is hard to answer that question precisely. It is envisaged that IAT II will be ready by 1992, and then IAT I will undergo repairs, which should take a few years. The investment will be implemented by the International Air Terminal Construction Management, which was formerly part of the Polish Airports Enterprises. The Management is the coordinator and contractor for all work connected with the expansion of the airport. The architectural concept was prepared by BUDOPOL City Planning.

9295

### **FRG Book on EEC-CEMA Cooperation Stresses Polish Needs**

26000580a Warsaw *RZECZPOSPOLITA* in Polish  
28 Jun 88 p 9

[Text] The West German publishing house "Europa Union Verlag" has brought out the first monograph in the West on the issue of cooperation between the EEC and the CEMA. It is entitled "The European Community and the Council for Mutual Economic Assistance—An Argument in Favor of Cooperation." The author, Axel N. Zarges, the Eastern expert of the Christian Democratic faction in the West European parliament, comes out in favor of enhancing cooperation between the two economic groups.

In the chapter devoted to Poland, the author appeals to the Western partners to show understanding for the economic situation of our country. He states that Poland has objective difficulties paying debts in a timely manner, since this is beyond its production potential. "This is why new, and possibly unconventional, ways and means should be found in order to help Poland return to the road of economic development." The author recalls

that the West European parliament has already discussed a motion proceeding from the assumption that "Poland is not able to tackle the debt problem on its own. Therefore, with regard to her, the principle should be accepted that all opportunities for eliminating the indebtedness proposed by the West should take into account the production potential of Poland."

9761

### **Conditions for Successful Free Trade Zone Listed**

26000614 Warsaw *PRZEGLAD TECHNICZNY* in  
Polish No 21, 22 May 88 p 20

[Article by Jozef Kusmierek: "We Will Build Our Kiel If..."]

[Text] In recent years, our authors have become possessed by a craze for praising and recommending prescriptions for attracting foreign capital to our country. First, there were Polonia companies. Never mind that a Pole, a Polish citizen, and an owner of honestly obtained dollars, cannot invest them in his own country. Never mind that a Pole working abroad in order to make money, upon returning to his motherland, cannot practice his skills sharpened in the West in his own business. Never mind that our fellow countryman with an entrepreneurial spark and his own zloty capital is treated as an outpost of hostile capitalism.

Our journalists ignored these and a couple other details, and instead called on the second or third generation of Polish emigrants to invest in our country for emotional and sentimental considerations alone.

Later, our writers were possessed by inspiration in singing the praises of companies with mixed capital as a source of cheap hard currency for our country. Once again, the writers ignored the fact that in this country we did not manage to set up much-needed authentic cooperation, based on healthy guidelines, between the Ursus and the Zetor [Polish and Czechoslovak tractor producers—translator's note], did not manage to form a single joint enterprise with our closest neighbors for mining and using Polish copper and Polish sulphur. Lo and behold, even processing Polish potatoes into joint starch turned out to be impossible.

Also, an avalanche of miraculous concepts about "the ethnic capital" rumbled through our country's publications. Our patriotic economists calculated how many Poles live abroad, counted how much everyone of them has in savings and came up with an astronomical sum, sufficient not only to pay the debt of the Motherland, but also to build a second Poland.

"Duty-free zones," which would attract capitalists, capital and goods, are the current journalistic fashion. I am also in favor of duty-free zones and, specifically, the one in Szczecin, if...

If we are able to make the river Odra navigable for self-propelled barges of 1,500 tons [displacement] all the way to Moravska Ostrava at a rate twice as high as on the Elbe and the Vltava.

If we are able to resolve politically and arrange technically for barges from the Szczecin duty-free zone to sail through the GDR to the Elbe and on to the system of canals in Western Europe.

If we build at least a 6-lane highway for cars with [axle pressure] of 12 tons per axle and gross weight of 60 tons on the Szczecin—Chalupki and Kudowa Zdroj—Jakuszyce routes at a pace accepted in Europe.

If we manage to obtain our allies' agreement to extend these routes from our border to Constanta, Varna and Split, providing for quick access to Istanbul, Thessaloniki and Venice.

If we manage to modernize our railroads so that four pairs of container express trains could travel at a line-haul speed of 80 kilometers/hour between the duty-free zone in Szczecin and Athens, Vienna and Bucharest.

If we manage to produce or purchase flat-bed cars for piggy-backing container trailers, so that they could be loaded and transferred from the ship to the railway car by the roll on-roll off system.

If railway bumpers preventing the self-breakage of cargo on express freight trains are produced and used on a large scale.

If we manage to install satellite telephones along the railways and, first of all, highways, so that the shipper or the addressee could order a change in the destination or direction of travel while the shipment is en route.

If the PKP [Polish State Railroads] divisions will strive to transport the goods entrusted to them quickly and safely rather than create gangs to smash and steal them.

If our shipbuilding industry will be able to build enough passenger and cargo ferries and roll on-roll off ferries which could dock and cast off the piers of the duty-free zone at least once every 2 hours around the clock, regardless of the season.

If we manage to build the kind of loading berths which we have been unable to erect in Swinoujscie for 30 years.

If we manage to implement the patent of the Gdansk Technical University for a barge "carrier," making possible to transfer barges from Szczecin to Swinoujscie regardless of the weather and ice situation in Szczecin Bay.

If a telephone connection between Szczecin and any point in the world could be established instantly (at present, one has to wait for 4 hours to get a connection with nearby Koszalin and Kolobrzeg).

If we manage to establish an arrangement with the countries of people's democracy to organize customs inspections in the duty-free zone so that individuals travelling through Poland and using the duty-free zone would not be entangled in scandals which are the normal occurrence at border crossings.

If we can build a cargo-passenger airport so that transloading from one carrier to the other is done directly from plane to ferry or from plane to rail or truck without the need to use the PKS [State Motor Transport], with a switch in Goleniow.

If, along with 5 or 7 regular ferry lines between the most important ports of the Baltic and the North Sea, we manage to set up the Szczecin-Klaipeda line, as the Germans have done for the Ruegen—Klaipeda line. At issue is the East-West trade.

If the Polish power system will provide an uninterrupted electricity supply for the duty-free zone with a permanent 220 V voltage.

If Polish industry, with which the duty-free zone will want and need to cooperate, will finally master the art of packing goods on pallets and in containers, since in the civilized world cargo is not accepted for circulation in bags or in bulk.

If hotel facilities appear in Szczecin and it becomes possible to stop at a family boarding house, or to rent an apartment in a hotel with female service in order to finalize international transactions.

If an airline ticket from Vancouver to Las Vegas with a change in San Francisco or a table for two "for tonight" at "Kameralna" in Warsaw may be ordered from the room in any hotel regardless of its class.

If an instant transfer of funds in Danish crowns to Hawaii with a provision for payment in Swiss francs may be done by the National Bank of Poland branch in Szczecin.

If we are able to meet these requirements, then the duty-free zone in Szczecin may restore to Poland its standing in the world and reverse the trends which scare the foreigners away from contacts with Poland.

If we do not meet these requirements, then the duty-free zone will become yet another wash-out.

P.S. In the article "Will We Build Another Kiel?" in the supplement POLITYKA—EKSPORT—IMPORT the author suggests processing bauxite. I hope that the author is aware of what he is writing and knows that

processing bauxite is possible in Szczecin if the Polish power industry agrees to speed up the energy disaster in the northwest of Poland, if the conference on protecting the Baltic agrees to poison this body of water with fluoride, and purchasers of strawberries grown in Szczecin, Koszalin and Slupsk provinces agree to import this berry affected by fluoride from Poland. "Bauxite processing" is always associated with the spread of this dangerous poison over a large territory.

9761

### **Antimonopoly Law Deemed Useless Without Free Market**

26000584b Warsaw ZYCIE WARSZAWY in Polish  
14 Jun 88 p 5

[Article by Krystyna Milewska: "Sand in the Gas Tank"]

[Text] If we consult a dictionary of foreign words, then we will find under the entry "monopoly" a definition saying that this is an exclusive right to produce or trade in some field, granted to a person or a particular group of persons, and right after this an explanation that monopolies are a creature of developed capitalism. Large economic organizations which came to dominate production and market sales emerged in highly developed capitalist countries as long as 100 years ago. This is when antitrust legislation appeared too, its efficiency being mixed, because trials on violations of antitrust laws usually last quite a while, and large enterprises usually have sufficient funds and influence to defend themselves.

The economic reform being introduced in our country, which enhances the role of commercial operations, and the need to repay foreign debt have revealed the lack of export potential in our economy. In turn, attempts to introduce the market and make enterprises independent in the sphere of managing costs and setting prices have shown that our large economic organizations display typical monopoly inclinations as well. This is how the need to introduce antimonopoly legislation in our country, too, has come to the fore.

So, here is the law on counteracting monopoly practices. Moreover, it has been in effect since 1 January 1987. The emphasis in it is laid in particular on protecting the market and competition. At the same time, it gives rise to many doubts about its efficiency, if one takes a closer look at the existing economic system and the practical implementation of the economic policy. Here is an example.

The Council for Counteracting Monopoly Practices operates under the antimonopoly organ, that is, the minister of finance. Among others, representatives of the organs of state administration, national cooperative,

trade union and professional organizations serve on the council. Due to their local and central associations, our cooperatives are a stronghold of monopolization in our country.

Given this, are the cooperative associations genuinely interested in independence of the cooperatives as economic units? Will the trade unions, to whose power base large enterprises are vital, be interested in splitting them? And won't the professional organizations defend the position of their members, fighting to ensure for them the privileges not necessarily available to those not affiliated with them? And will the agencies of state administration, or, more precisely, its apparatus, favor demonopolization by regulation-generating activities?

If the system of managing the economy and the current economic policy will not change, the antimonopoly law will become a dead regulation, as the law on quality adopted almost 10 years ago. After all, the problem is the same. Neither quality nor breaking the monopoly can be accomplished in the absence of competition and a full-fledged market. As it were, the greater the interference of the authorities in the economy, the greater the propensity of economic units to merge and grow. This applies even to small shops, which unite in cooperatives in order to gain access to supplies and state markets. Social and political organizations also display monopoly inclinations. They want to be sufficiently strong partners for the power apparatus. As an example, let us take, say, youth organizations, which in the 1970s got themselves a Federation and carved out spheres of influence: urban working young people—for the ZSMP [Union of Socialist Polish Youth], rural—for the ZMW [Rural Youth Union], students—for the SZSP [Socialist Union of Polish University Students] and schoolchildren—for scouts. It is doubtful whether this has worked out for them. As a result, during this growth of organizations, and not necessarily economic ones, the central authorities altogether failed to become stronger, but rather were swayed increasingly often by the influence and manipulations of powerful lobbies, represented mainly by their bureaucratic structures. As can be seen, the issue of counteracting monopoly practices cannot be resolved by a single law.

Associate Prof Andrzej Sopocho, deputy director of the Finance Institute and chairman of the Commission for Counteracting Monopoly Practices, describes the effect of the law itself as alleviating the symptoms. He believes that the law only allows for prosecuting uncovered monopoly practices, but by itself does not eliminate the reasons for which they arise. Therefore, he believes that the main task of the commission should be to support and initiate such arrangements which would facilitate the strengthening of the market and to create competition. In this instance, the law on entrepreneurship has an important role to play. Its effect should give impetus to desirable changes in the structure of enterprises.

Unfortunately, an exceptionally strong concentration of enterprises is a feature of Poland. As many as two-thirds of them have over 1,000 employees, whereas in capitalist countries with the highest concentration such enterprises account for only about 20 percent. At the other pole, we have the private sector, where shops with several employees dominate. There are few medium-size enterprises, the ones which are the progressive element in the world economy and respond the fastest to the shifting demand of the market. This is where further doubts and questions arise.

For example, where are we to get those "middle enterprises?" We should forget about them being formed by splitting large enterprises. Large structures can only fall apart if they go bankrupt. Our leviathanes, even the ones operating in the red, have thus far managed to stave off bankruptcy. After all, they are not only a productive force, but a social force as well. Not only the state administration, but also the trade unions, which are stronger there, rise to defend the monopolies. Thus, do the medium-size enterprises have to emerge through the development of small private companies?

At present, even starting a small production workshop with several employees requires that capital of at least several million be amassed, to say nothing about the waste of time for formalities. Several barriers must be overcome: securing space, the necessary permits, access to raw and other materials, etc. The current tax system does not favor either capital accumulation or development trends in this sector. This can be best shown in the case of income and compensatory tax.

A payee of compensatory tax pays 11,760 zlotys a year on the income of 1.2 million a year, or 100,000 a month. At the same level of income, an income tax payee will pay 201,000 zlotys of tax, without the turnover tax and taking into account the tax-free allowance and the maximum ZUS [Social Security Agency] contribution. With an income of 2.4 million a year, the income of the compensatory tax payee will be reduced to 167,000 monthly, whereas that of an income tax payee—to 132,000 zlotys. An aggressive company which generates profits on the order of a million zlotys a month pays close to 70 percent tax. In view of this, what can motivate these small companies to grow? It is more likely that, if they come upon a large market, they will rather risk entering the second circuit [illicit shadow economy—translator's note], i.e. concealing actual turnover and profits, but certainly will not reveal these profits by undertaking investment projects. They will rather earmark these profits for additional consumption, thus boosting a segment of the inflationary gap in circulation.

Could it be that the lack of medium-size enterprises will be made up for by companies having the status of units of the socialized sector set up in such great numbers in recent years? No enterprise of the socialized sector which begins operations this year knew until mid-May how it is going to calculate the tax on above-the-norm growth of

remunerations, because Treasury Chambers do not have guidelines for these operations. How can one begin operations without knowing what the taxes are going to be in an area as sensitive as setting remunerations?

The issue of monopolization in the economy, if carefully considered, takes us to areas seemingly far removed from it. In any event, these are not matters which can be resolved by a law on counteracting monopoly practices. Could some of these problems be solved by the law on special powers for the government? Some politicians call this law the fast lane. However, will we not enter this lane with sand in the gas tank?

9761

### **Small-Scale Manufacturing Offers More Opportunity, Better Wages**

26000577b Warsaw RZECZPOSPOLITA in Polish  
9 Jun 88 p 4

[Article by Wieslawa Mazur: "Small-Scale Manufacturers Know Why They Exist"]

[Text] Small-scale and medium-scale manufacturing knows why it exists. Namely, to produce and to sell what it produces. According to Prof Marian Strozycki, who recently assumed the function of director of the Domestic Market Institute, the opinions that small-scale manufacturing is weakening are wrong. If nothing else, the "Spring'88" Fairs, and earlier, the small-scale manufacturing fairs in many provinces, prove this.

### **Indispensable Connective Tissue**

In the economic organism small-scale manufacture performs the role of a connective tissue. Without it, it is simply bad. The head of the Market Institute reminded us that the time has passed when the concentration of capital and means of production was regarded as a panaceum bringing progress and productivity, because this panaceum failed. Without reaching far into the future—in the mid 1970's—the state's local industry was eliminated. Outside of Warsaw and Katowice, nothing remained from the old local industry. The assumption that the "small" one will transform itself into a modern coproducer of modern plants turned out to be utopian, because the "large" ones simply absorbed the "little ones."

The Market Institute underscores the offer of the Poznan "Spring'88," and the fact that small-scale manufacturers took part in it, not always proposing the largest, but as a rule decent amounts of good-quality goods. The crafts offer was of a higher quality than at any time previously. The labor cooperatives had a large and attractive exhibit, and also, with concern about the form, so did the foreign firms. Professor Strozycki said that "reform should cause everyone to be market-oriented." This requirement is accepted, but only verbally, because the actions are different. Those who seem to have become offended

by the market can be pointed out. But, asks the professor, can one turn his back and be offended at his own standard of living? And he adds that some people would like to exist in a comfortable economic autonomy, in which it is possible to produce less and earn more. In the second stage of reform, this bubble, unfortunately, has to burst.

#### Definite Promarket Character

The producer produces in order to sell and earn money, produce more and make an even better profit. Everything in order to live better. This is how it is throughout the world, this is the economic alphabet, and to go against this is to violate economic laws. Nothing can be gotten out of nothing, unfortunately.

And small-scale manufacturing is not counting on this, either. The "smalls" and the "mediums" are dug in, with different strengths, into the soil of the market and they see their future in it—which the Institute mentions with satisfaction. According to its management, the lack of raw materials is no longer the most important problem that small-scale manufacturing is experiencing. The raw-materials barrier exists primarily in the minds of the people and in uneconomical behavior, for the sake of their being left in peace. Contrary to appearances, we have plenty of raw materials: starting with the local ones which are not being utilized, down to the wastes which are also not being utilized in large plants. Frequently, "something" is thrown into the scrap heap rather than sold to a cooperative, and especially to a private person. Because selling, as a rule, provokes greater vigilance on the part of the inspectors. Transactions become an object of penetrating assessment: why, for how much, why specifically to this person and not to that one? In many factories, machines which someone else could still use, are scrapped.

At least part of society is trained so as to be reluctant to make use of fixed assets. And this reluctance is due to a definite striving for mental comfort—that is the opinion of the head of the Market Institute. There are a good number of food raw materials that are not being utilized. They are wasted, that we know, but we know less about how much of them end up in the garbage dump because these kinds of records are not kept. It would help if we had more people who want to earn more by working more. There are such possibilities throughout all of small-scale manufacture. There are incomparably more foresighted people in wealthier societies than ours (and that is why these societies are wealthy!). At one time we ridiculed the chase for money, but now we are paying for it. Because, after all, the striving for money is the striving for socially useful work. For the simple reason, that nowhere in the world will someone want to pay for not working, or for work that is not useful.

#### More Government Support Noted for Small-Scale Manufacturing, Business

26000577a Warsaw RZECZPOSPOLITA in Polish  
9 June 88 p 7

[Text] Strengthening and enhancing coproduction ties with large industrial plants, expanding the market offer, and increasing exports and broadly-interpreted services—those are the basic goals of the organizers of the Small-Scale Manufacture and "Coproduction '88" Crafts International Fairs which will be held on 17-21 October in Poznan.

During a meeting on this subject in the Ministry of the Market on 8 June, the chairman of the Program Council for the fifth successive fairs, deputy Alojzy Bryl, recalled that in the economic assumptions of the second stage of the implementation of reform, small-scale manufacture in all sectors has been given the task of strengthening its position. This is not only an intention, he underscored, but a developmental concept which has been reflected in the government's recent work on undertaking economic activity.

The fairs are a promotion for the "small-scales," whose share in overall production is still small, amounting to 12-20 percent, if food production is also taken into account. The share of small-scale manufacture in foreign turnovers is slight, for it amounts to scarcely a few percent, despite the fact that recently the growth rate of export, particularly in the crafts and labor cooperatives, is high.

It is worth noting that the specializing countries, by making large reform changes, are devoting a great deal of attention to the development of small enterprises, and that throughout the world, "small business" is organized. We should find a way to cooperate with others, fill the gap, and this would be economically profitable for us.

The function of the fairs, therefore, will be expanded this year. It will cover export, import, coproduction, and barter, and it will facilitate international contacts. The "small-scales" are already preparing for the fairs.

Those most interested in the fair are the crafts tradesmen, who have already reserved over 11,000 square meters of floor space in the halls. The craftsmen have also called upon their foreign partners, most of whom announced that they will be at the fair. We know that some of them wish to continue to collaborate, and some will try to expand this collaboration. The partners from the USSR, both from the particular republics as well as trade and industrial enterprises, are confirming their growing interest in the fair.

A seminar will be conducted during "Coproduction'88" for interested representatives from socialist countries on the subject of the development of small-scale manufacture, its importance in the economy, and the possibility of increasing the cooperation of the "small-scales"

within the framework of CEMA. Moreover, the Program Council of the fairs, together with the Chief Technical Organization and the office of engineering sciences and applications, is preparing a conference devoted to the application of new techniques and technologies. The Central Crafts Union reports that it will organize supply and materials exchanges, whose theme will be "we are looking for a coproducer."

9295

### Conditions, Problems in Developing Internal Computer Market

26000554 *Warsaw PRZEGLAD KATOLICKI in Polish No 26, 26 Jun 88 pp 1, 4-5*

[Article by Piotr Borzyna: "Computer Enclave"]

[Text] Among many—at times dramatic in their significance—diagnoses of the social and economic situation in our country, there is the quite often recurrent theme of the civilizational distance that separates Poland in an increasingly more dramatic manner from the highly industrialized countries of Western Europe and America, which are being joined lately by other countries of our globe that until recently have been regarded as belonging to the Third World. The task of overcoming this distance appears to be increasingly more difficult in the light of Poland's huge debt and stagnant progress of economic processes. However, the majority of analyses of the Polish crisis call attention to the potential that lies within society. The decline of work ethos, the lack of respect and support for individual economic activity and at times its outright repression with the aid of bureaucratic and fiscal instruments of state policy are only some of the many reasons that have caused the majority of the public to perceive overcoming the crisis as a task of the state apparatus. In light of prior experience, this casts doubt over the success of the economic reforms. Economists and sociologists have on numerous occasions pointed to the necessity of stimulating public activity both in terms of the civic plan and the economic plan. I will allow myself here to make the statement that it is, to all intents and purposes, impossible to assess the potential that can be liberated in this way. The memory of collective experiences of recent years and manifestations of society's economic activity constitute only certain signals here.

In this light, the turbulent development of Polish computerization in recent years is one of the symptoms of the phenomena that can be elicited by state policy open to human activity and inventiveness. This phenomenon is all the more interesting that it concerns highly advanced technology and is, therefore, directly tied to the aforementioned civilizational gap and its—if only partial—surmounting.

Let us say at the outset that there are at least two visions within social awareness of our computer market—a negative and a positive one. Within the "black" variant,

our computer market constitutes a domain of every form and manner of swindlers and schemers; get rich quick amateurs. In turn, the "optimistic" version presents a picture where the rapidly spinning wheel of fortune brings only profits without any losses, risk or misuse. However, reality is clearly much more complicated than would follow from either one of these visions.

In the first place, it ought to be noted that the most essential trait characterizing the turnover of computer equipment in Poland is the fact that it is subject to the laws of the market. Therefore, as a separate enclave it differs significantly from the rest of the Polish economy where, with the exception of a few other isolated areas similar to the computer sector, the laws of a bureaucratic economy rule. The general lack of being accustomed to market rules results in that phenomena that are customary and normal for the market economy, such as, real income, changes in the economic situation, the game of supply and demand, are regarded as pathological manifestations, unhealthy accumulation of wealth, etc. Examples of these kinds of criticisms may be easily found in newspaper publications regarding the computer market. Their tone and judgements are exactly reminiscent of the statements known to us for years about private enterprise and Polonia firms.

A problem that is far more serious than these stereotypical assessments is the issue of state attitude toward the dynamic development of the free computer market. The observation of events that accompany this development compels one to state that it is occurring under the relative neutrality of the administration. This is not an everyday occurrence in our country. Therefore, it is worth giving thought to its causes. The first and most important of these—according to some—is the embargo on the delivery of computer equipment to Warsaw Pact countries that is in effect in countries of Western Europe and the United States. According to the unanimous opinion of the representatives of important American and West European computer companies, at least a part of the rules and regulations restricting computer trade is currently lacking any military justification whatsoever. These restrictions are all the more fictitious that many countries of the Far East are not complying with the embargo rules. Private imports from Taiwan, Singapore and Hong Kong do, indeed, constitute the greater part of the Polish supply of computer equipment. However, it seems that it is not only these import restrictions that decide about the relative freedom that prevails on the Polish computer market. Private imports intended for sale to state institutions, enterprises and scientific institutes enable all of these consumers to overcome prevailing foreign-exchange shortages and to purchase modern equipment. It may be assumed that the simplification of these kinds of operations was also one of the justifications for a liberal stance of the authorities with regard to the development of private computer trade. Of course, this is only a conjecture.

The readers are, undoubtedly, interested in knowing what these trade simplifications, which I am praising so



highly, involve. The first and most important fact is that this involves the exemption of computer equipment from customs duty. The remaining points are not as clearly simplifications or privileges. However, we are living in a situation where the lack of impediments may be often regarded as an advantage in itself. Briefly stated, therefore, these simplifications may be described as the lack of any serious hindrances to the development of a series of firms that serve as agents between private importers of computer equipment and state consumers. The majority of these firms have taken on the form of limited liability companies operating on the basis of the trade law code dating back to prior to 1939.

Let us now try to submit to a somewhat more thorough analysis the advantages and disadvantages of Polish computerization of recent years. In the not so distant past, the case was that important enterprises would decide on the purchase of an inexpensive home computer, for example of the "Spectrum" type, in the deceptive hope that with its aid it will be possible to introduce modern methods of management or of keeping records or bookkeeping. Disillusionment followed rather quickly for it turned out that simple home computers are excellent for teaching the fundamentals of computer science to school youth or for playing various games. However, their usefulness for serious application of an administrative, scientific or other nature is limited by the technical parameters themselves of the equipment. After these initial failed applications, a period of boom for IBM PC class equipment followed. Computers modeled after the products of the renowned IBM company became a kind of standard in the class of personal computers. This is a standard both on the American and on the West European market. The fact that in Poland during the second half of the 1980's it established itself as the point of departure for all important undertakings in the field of computerization ought to be regarded as a very favorable sign. Let us only recall here that the first, still very imperfect original model of the IBM PC computer appeared on the market in August of 1981. Its perfected version, IBM PC XT, came about in 1983 whereas IBM PC AT with a significantly greater functional capability was produced in 1984.

The strength of the IBM standard is based on the excellent balancing of the computer's cost and resulting product class offered as well as on the immense wealth of specialized peripheral equipment and the possibility of adapting the equipment for the implementation of tasks for which it will be used. The very extensive library of computer programs also has an enormous significance.

The growth of the IBM computers in Poland occurred in proportion to their progressive dominance on the Polish market. After the first wave of purchases when equipment of whatever grade and with whatever features was bought at an unrestricted high price, there occurred a period of market stability. From today's point of view, it is possible to describe the main characteristics of this stability. First of all, the normal game of the rules of

supply and demand and, secondly, a drop in computer and peripheral equipment prices. This last phenomenon is already apparent in arbitrary prices. However, when we take the inflationary rate into account, the drop in [computer] prices on the Polish market was at times downright impressive. A phenomenon which is also very important is the professionalizing of equipment purchases. How far the laws of the market work in favor of the consumers is demonstrated by the typical buying situation in our country at the end of the year when it is only a question of spending money from the budget. The impulsiveness of buying at that time and the fierce rise in demand mean that it is frequently necessary to "take what is available," which is not the best business policy. For this reason, prudent purchases during the year are much more advantageous. This example illustrates how divergent the laws of the market are which govern computer trade and the laws of bureaucracy which exist in bookkeeping and in the supply sectors of Polish enterprises.

This pleasant picture is not lacking in negative aspects. Examples of dishonesty on the part of foreign equipment suppliers are well-known. However, they do not constitute a very serious threat because news of such corrupt practices spread quickly enough to eliminate dishonest dealers from the sphere of interest of private importers. Manifestations of dishonesty among joint ventures that serve as go-betweens in trade and which to a great extent also take on servicing are much more serious. Procrastination in paying out due amounts or delivering ordered equipment, theft of parts, the lack of professional technical training—these are some of the most frequently occurring transgressions committed by agents. News of this spreads and contributes to either the good or bad reputation of a firm. The effectiveness of such opinions on the elimination of dishonest firms from the market is, unfortunately, not as it should be which may be attributed to the fact that the buyers and, therefore, mainly state enterprises do not give in as easily to the laws of the market as private technical equipment importers.

The issue of programs and protecting the copyrights of those who create them constitutes another chapter. It may be said without hesitation that in the field of programming, Poland is currently a veritable paradise. It is possible to easily obtain free of charge copies of any desired professional program which is available on the Western market for hundreds or sometimes even thousands of dollars. However, the user of such an illegally obtained copy is deprived of documentation and manufacturer's services based on supplying the consumer with new versions of the program. Nonetheless, this phenomenon should not be discounted as being specific to Poland. The infringement on the copyrights of software companies and the copying of programs is occurring all over the world. What's more, this contributes to the popularization of these programs and consequently, to an increase in the number of "legal customers." It should also be said that the companies producing these program do not conduct a uniform policy with regard to the



protection of their rights. Some of them employ ingenious safety measures that impede the copying of their programs whereas others back out of such safeguards. The specificity of the Polish market as opposed to the Western market is based on the fact that in our country "illegal" program users are made up of large state firms as well as private individuals whereas in the West these are most often private individuals.

A problem which is much more serious than program copying is working out their adaptability which in simplest terms means reprogramming since the messages appearing on the screen are in Polish. In any case, the altered product is then sold as an original Polish work. The obviousness of the violation of copyrights is unquestionable in this case although it is sometimes camouflaged in ingenious ways. Unfortunately, the effects of this type of activity are quite dismal as the fact of thievery can seldom be completely concealed. Such underhanded dealings lead to a weak program home market and also have an impact on the cost of computer services. In writing a specific program at someone's request, a programmer must include in the cost of his service the risk factor since he will never again obtain a single zloty for his work. However, he may be quite certain that after a certain period of time he will come across his work as the "original" product of company X.

I have presented here in abbreviated form only some of the characteristic traits of "computerization in Polish." In my opinion, however, it is testimony of the great potential for economic activity that lies within our society. In order to release it, only a little bit of effort is required on the part of the state administration such as lifting certain barriers and not creating new obstacles. Whenever I hear about problems with supplying Polish hospitals with indispensable drugs and dressing materials as well as about the inability to surmount them, I think about the vastness of untapped human initiative and talent that lies within Polish society and I also think about how many more people must die in these hospitals for a decision to be made in some government office whereby with the aid of private imports not only problems with tips for felt-tip pens, computers or self-adhesive foil for color labels can be solved but that in this way we can assist the faltering Polish health services or other sectors suffering from the deficiencies of our living situation.

I wish to be properly understood. I do not believe that private imports will lead, for example, to an abundance of fuel at gasoline stations. There are areas in our economy that nothing can heal except for economic steps on the part of the state or serious investors from abroad. However, there are areas that can be at least partially healed or placed back on their feet through individual initiative. It would be a good thing if these circumstances supported by the computer example would influence the decisions about our economy.

9853/9604

### Weather, Hike in Agricultural Procurement Prices Prove Worrisome

26000583b Warsaw *RZECZPOSPOLITA* in Polish  
27 Jun 88 pp 1, 2

[Article by Jozef Kowalczyk: "Achievements and Dangers"]

[Text] In recent weeks we have seen an unusual amount of discussion on matters relating to the countryside and agriculture. Farm policy implementation was assessed at a joint meeting of the PZPR CC Politburo and the ZSL SC Presidium, and later it was the subject of a Sejm debate. Most certainly, two factors had an effect on the temperature of the speeches (and not just in the Sejm).

The first factor relates to the weather. Due to the long drought, some crops suffered, especially those on light soils. Thus spring created an additional threat to this year's crops, and also, because of that, to farm incomes—not the highest right now, anyway.

The second factor which causes great anxiety is the increased financial burden on agriculture, particularly the rapid growth of prices for means of production, which has largely exceeded the assumptions of the National Annual Plan. The 1 February procurement-price hikes which were supposed to level out, at least partially, the differences between incomes in the towns and the countryside, turned out to be too low to even maintain this difference at last year's level, i.e., an 83:100 ratio to the detriment of the countryside. And this is why another increase in farm-produce procurement prices, to go into effect on 1 July, is necessary. This decision, although very difficult under the present economic situation, will surely strengthen the incentive of the farmers.

But it is not just the income situation in the countryside which is endangering farm production. It is also the bad situation as regards supplies—and this has been the case for years. Both political and government decisions pertaining to the restructuring of industry to give more consideration to the needs of agriculture, are being implemented with great resistance.

Branch arrangements remain very strong. The ability to exert pressure on industries to produce goods for the requirements of the marketplace, including agriculture, is still low. In 1987, just as in the early 1980's, despite many decisions, resolutions and endless discussions, only slightly over 4 percent of industrial production was allocated for the needs of agriculture.

In the past, we have blamed objective factors for many of the inadequacies and problems of food production: difficulties in the economy as a whole, the weather, etc. But this time, and this was very clear at the last Sejm debate, more attention was devoted to the subjective factors. In the resolution that was passed, the Sejm is requiring the government to accelerate the restructuring of industry,

to ensure the implementation of the Sejm's resolution relative to farm incomes, to take effective measures aimed at improving the economic systems in agriculture, etc. Attention was also called to the fact that there must be consistent implementation of detailed programs pertaining to land reclamation, installation of water pipes to the countryside and agriculture, re-electrification, installation of telephone lines and gas, improvement in services and living conditions in the countryside.

A great deal has already been said and written about the achievements of agricultural policy in the 1980's, and these achievements are real. The amount of meat consumption last year (66 kilograms per person), although certainly still lower than social expectations, was 2 kilograms more than had been envisaged in the National Socioeconomic Plan for 1990 (64 kilograms per person). Milk production, at present, is sufficient to provide 270-280 liters per person. By the way, this is one of the highest indicators in the world. Butter consumption is also high—9 kilograms, as is the consumption of vegetables.

It should be noted that the steady improvement in food supplies and the increase in the country's population occurred during a period in which imports of grain and feed dropped significantly—from 8.6 million tons in 1980 to 4.3 million tons in 1987. The position of agriculture in exports also became stronger. The favorable balance of turnovers reached \$173 million (85 million rubles with the first payments area). And after all, even in 1985 we were a net importer of farm products.

Agriculture, with the changes taking place in our country, is that sector of the economy in which each zloty invested brings unquestionable results. We must ask ourselves what these results would be if there were more of these zlotys, if all of our plans and decisions relating to agriculture and the entire food economy were consistently implemented.

Weather is an enormously important factor in agriculture, because agriculture is, after all, a factory under the open skies. But its effect is in inverse ratio to the amount of technical investment. What kind of losses would we have recorded during last year's wet and difficult harvests if it had not been for the progress that was made in drying and storing grain? And would the effects of this year's drought be as great if we had at least half as many irrigation sprinklers operating in our fields as there are in Czechoslovakia, or the GDR?

The level of automation and mechanization of agriculture cannot be identified with the number of tractors, as some people are doing. The amount of mechanization in our plant production, and even more so in our animal husbandry, cannot be compared with countries where agriculture excels.

The countryside, without regard to the number of shortages and inadequacies in the means of production as well as technical and social infrastructure, is an area of rapid changes, both production and, to an even greater degree, social. The latter are also apparent in relation to one's own workplace, including the relationship to the land. People are retiring for whom the land, its cultivation and its possession, is often their life's purpose. They are dedicated to their land, often having devoted their whole life to it. It is true that they did not farm it out of pure altruism, but it is also true that often, contrary to much of the popular opinion, they farmed it first and then counted up the results. Today they are being replaced by the young, for whom work on the farm is not a goal unto itself. They want, first of all, to live better than their fathers did. And the land does not interest them as much as how it can become a way for a better life.

The growing dangers in the food economy, about which so much is being said recently, can be attributed to many reasons: economic, organizational, technical. Because of all of them, more and more people are asking themselves whether the successes of agriculture in past years, the role which agriculture has played in balancing the market and the entire economy, will last.

The farm-food market, without regard to the shortages and deficiencies occurring here and there, is still relatively good. Certainly much better than the industrial-goods market. The fears which appear about this market stem not only from the reasons mentioned earlier, but also from the faulty structure of market prices. The price-income operation conducted at the beginning of February did not bring the anticipated results. After a few months, it is not hard to see that food, especially that sold at official prices, when compared with other goods, not only did not go up in price (as had been assumed), but on the contrary, it came down.

Certainly farm-food articles are not cheap in relation to earnings, but they are cheap in relation to other goods. As a result, the pressure on the food market is growing, and the possibilities of increasing production are limited.

Restructuring of the price-subsidy system is a subject in itself, and as this year's experience has shown, it is not easy to do.

Nevertheless, although this is an enormously difficult and complicated task, the opportunities to establish favorable trends in the food market should be sought through a consistent demonopolization of successive market segments and farm-food turnovers. Progress in this area appears to be just as important as growth in agricultural production. In any case, these are instruments which are interconnected and interdependent.

**PZPR Sponsors New Printing Plant in Katowice**  
*26000584a Warsaw RZECZPOSPOLITA in Polish*  
*6 Jun 88 p 7*

[Article by (AW): "New Printing Plant for Katowice"]

[Text] To be sure, Katowice has two large printing plants, the Katowice Graphics Enterprise and the Press Printing Enterprise. However, building a new press printing plant has become necessary. The concept of building a facility of this type has developed since the early 1970s. According to the draft, the future printing plant will be erected within the quadrangle delineated by Mickiewicz, Sobieski, Zabrska and Dabrowka Streets in Katowice. The Katowice Industrial Construction Enterprise is the general contractor. The PZPR Provincial Committee in Katowice has assumed direct sponsorship of this large undertaking and is helping greatly with the investment project.

The printing plant, expected to cost over 4 billion zlotys in 1985 prices, will considerably improve the conditions under which newspapers and magazines from the present newspaper shop are printed, including TRYBUNA ROBOTNICZA, DZIENNIK ZACHODNI, SPORT and several local newspapers. To this end, a modern rotary press "Rondoset" made by the "Plamag" company of the GDR will be installed. In addition, an array of new technologies will be introduced, such as photosetting, rapid photography, telephoto, teletypesetting and automated processes of copying printing forms.

All of these efforts are supposed to be a favorable influence on the esthetics and quality of printing; the press runs of some publications will also increase. The job environment will greatly improve for the employees of the new printing plant. A spacious canteen, an around-the-clock cafeteria and a new cloakroom will be built.

The planned date of commissioning the facility, 1990, is already considerably delayed. The need to reassign construction teams to other facilities is the reason for this state of affairs.

9761

**Coal Exports Loaded at Szczecin, Swinoujscie Ports Increasing**  
*26000580b Warsaw TRYBUNA LUDU in Polish*  
*27 Jun 88 p 6*

[Article by (hpr): "Coal Returns to Western Coast Ports"]

[Text] The Western Coast ports, Swinoujscie and Szczecin, are superbly prepared for transloading Polish "black gold." Both are equipped with automatic transloading machinery—special conveyor belts.

In particular, Swinoujscie has become an attractive port for coal exporters. It has deep-water berths that can accommodate the so-called panamas—that is, the largest bulk cargo ships in the Baltic, whose load capacities are tens of thousands of tons.

In addition, modern "machinery" for quick loading of coal onto large ships, installed in recent years, is in operation here. These are scoop lifts, which are capable of picking up the cargo from a large storage area and depositing it in cargo holds of ships within a short period of time.

Szczecin and Swinoujscie have shuttle train connections through the railway thoroughfare that follows the Odra.

These features of the Western Coast ports are causing coal to return to local wharfs after several "lean years." In the opinion of the Maritime Bureau of the "Weglokoks" Foreign Trade Organization in Szczecin, this year the export of coal through the ports of Szczecin and Swinoujscie will come to 7.5 million tons—that is, will be 400,000 tons greater than last year.

If it were not for the repair work on loading and storage equipment in Swinoujscie, an extra 400,000 tons of coal could be shipped elsewhere that way. However, repairs are necessary, and that is why the Swinoujscie port will be able to ship 5 million tons, and Szczecin 2.5 million.

Restored confidence in Polish coal on the Western market has become an additional attraction. The price for it is beginning to grow again, especially for the better grades, including stoker coal—bean coal, pea coal, and rounds.

To be sure, transloading the latter grades is more difficult because qualitative requirements are high. However, bucket cranes in Swinoujscie are coping well with this operation. Current export projections indicate that coal will again reign supreme in Western Coast ports.

9761

**'Andaluzja' Coal Miners' Complaints Aired**  
*26000626 Katowice GOSC NIEDZIELNY in Polish*  
*No 31, 31 Jul 88 p 1*

[Article by Andrzej Grajewski: "For How Long More?"]

[Text] One may read a lot of praise in the newspapers for Soviet and Polish restructuring and the policy of glasnost, or freer exchange of information and public criticism of persons belonging to the nomenclature. It is easy to praise perestroika and glasnost when they occur far from us; problems begin when they get under way in our own back yard. The story described below could certainly be one of the installments in the cycle "Restructuring Polish Style."

It all began several months ago, when a group of miners published in GOSC [NIEDZIELNY] a letter, in which they revealed an array of failures and shortcomings in the "Andaluzja" mine. Shortly thereafter, Wilhelm Szoltysik, one of the authors of the letter, learned from a highly placed person what the management thinks about his "writings." On this occasion, he was put on notice that, in case he were eager to write something more, he would be "dealt with"—quietly, without any noise and with white gloves. They meant business.

First, there were meetings. A lot was said there about the authors of the letter to GOSC [NIEDZIELNY], portraying them as incompetent and undisciplined individuals, in a word—troublemakers. They were discredited before the workforce, and their character was assassinated. Soon all of them were reassigned from their former divisions, in order to separate them from their friends. Thereafter, individual actions began.

Ewald Sosna switched shifts with a friend, which is a regular occurrence in the mine; therefore, his shift foreman did not voice any objections concerning this. The next day, Sosna found out that he had committed a violation and was penalized for reporting to work "with disregard for scheduling." Many miners have switched like that before and after him, but only Sosna was penalized. Why? Because his foreman received instructions—informal, of course—to punish him. There are witnesses to the conversation he had with the manager on this topic.

The case of Leszek Polmanski is similar. The manager received instructions to reprimand Polmanski. In a martinet manner, he said that he would think of something. Polmanski did not have to wait long for the effect of the foreman's thinking. When he reported for work, he learned that he was penalized for being late. However, he came within the time allotted for descending, and, moreover, one more employee, who, of course, got no reprimand, came to his work station later than Polmanski.

The next person from the group in question, Andrzej Sokolowski, turned on the "Skat" conveyor without first securing it. The transgression occurred despite him having asked many times previously to fix the conveyor. In the mining industry, it is common knowledge that, if all occupational safety and hygiene regulations were to be observed, most Polish mines would have to take up mushroom farming rather than coal production. Miners work with the understanding that regulations are or have to be violated in order not to disrupt the pace of production. Certainly, under such circumstances any miner may or may not be penalized. Sokolowski had to be penalized, because his foreman learned that something against Sokolowski had to be found. So, the unfortunate "Skat" turned up.

Piotr Polmanski's pay for one day was docked because he came down without a control badge. Previously, he had been put on report for "disrupting the assignment of the workforce." Actually, at issue was his informing friends at work about the effort made to register an independent trade union.

Eugeniusz Polmanski was assigned to a position where he should not have been working because of an eye ailment. When he was forced to seek medical attention, the foreman docked a segment of his day's pay.

It was intended to penalize Wilhelm Szoltysik for a transgression which supposedly occurred at a time when he was not in the mine at all. To be sure, his name was removed from the report, but a pretext was found to slap him with another penalty.

Thus, within several weeks all miners who had signed the letter to GOSC [NIEDZIELNY] were punished, though previously they had not received a single reprimand in many years of work. Even now the miners mentioned above are not able to run for the leading positions in enterprise organizations because they have received penalties appearing on record, and are thus excluded from the social life of the mine. The cases described were intended as an object lesson for other miners, a convenient occasion to designate the negative characters in the mining community. The punishment was supposed to scare away their potential imitators.

These individual examples bring into focus more general issues. For a long time, a dramatic crisis entailed by splitting the crews has been mounting in mining. Some of the supervisors believe that any attempt to seek changes in the conditions prevailing in mines amounts to a violation of discipline. Issues of output have become paramount. Under these circumstances, the coercion to work on Sundays becomes increasingly common. There already are divisions in the "Andaluzja" where you have to ask your supervisor if you want to get a free Sunday.

Great pay is an additional argument in favor of working on Saturday and Sunday. Having heard yet again on TV about the high wages in mines, one of the miners from the "Andaluzja" sent to the Teleexpres [TV newscast] his pay slip with detailed earnings—excluding Saturday and Sunday work. His earnings came to 23,300 zlotys. The Teleexpres responded that his remarks on the topic of wages in mining would be used in off-the-air activities.

Thus, the myth about happy and well-paid miners continues to flourish. Attempts at criticism are suppressed by persecution in the form of putting names on reports and giving reprimands. However, intimidation is no way to solve the problems besetting the mining industry.

## HUNGARY

### Professionals View Religious Resurgence

25000226b Budapest NEPSZABADSAG in Hungarian  
9 Jul 88 p 18

["About Faith." Excerpts from Miklos Gyorffy's documentary book: "Owl Day" under the rubric "Gleaning"]

[Text] "Thirty-three percent of the age group 14-25 claim to be religious. In addition, another 25 percent say that although not religious, they are very interested in the matter. They would very much like to know more about it. This data reveals that there exists religious faith, that there is religiousness, but that faith and sentiment is confused and filled with contradiction. And this much is certain: this faith and sentiment is not identical to some denomination or with some religious practice pursued within a church organization." (Miklos Tomka, sociologist.)

"In my judgment it is primarily the lack of an outlook and of community that prompts a religious outlook and want for religious communities manifested by our youth ... young people do not choose an outlook primarily on grounds of theoretical arguments, but on the basis of lay judgment as to the suitability of an ideology or an outlook to the world in which those young persons must live. If in this respect there is a major discrepancy, or if a difference can be noticed at the level of everyday experience, ideology can no longer fulfill its role." (Marta Feher, philosopher.)

"The survival of religion or a possible mild increase in religion may also be a result of our ability to present only few values in which we can have confidence, which will be reflected in public life. We can teach only a few things which we understood 10 or 15 years ago the same way as we do today, and we talk only about a few values which are universal human values and to which one can adhere." (Janos Gonci, secretary, KISZ CC.)

"I believe that at first those fundamental theses were discredited which applied to the community, to equality and to truth. Then the organizations which represented these theses were discredited, and later these ideas and sentiments vanished altogether. Our children are highly rational, they have their feet on the ground. By now we have reached the point that these desires are missing: community, faith, perspectives, great feelings, emotions." (Gyorgy Horn, director of the Ferenc Rakoczi II Vocational High School.)

"The spreading of the religious renaissance faces only a single obstacle. Surprisingly, it is not the state or the state organs, but the churches, the church leaders who present the greatest obstacle to the spreading of religion. Because during the past 40 years there evolved such a conservative spirit within the churches and denominations that it scares away the interested youth as well as the children." (Tamas Raj, rabbi, historian.)

"Confining ourselves to scientifically describe matters will say nothing about how our conduct of life should be. Absolutely nothing. Accordingly, even if we use the most scientific approach to describe the world, and if someone learns what we have said, he will not be able to make choices on that basis as to how to conduct himself today. This is so, because science does not inform in this respect. Conversely, if a person seeks guidance, direction, guide posts as to how to conduct his life, he must by all means resort to traits similar to faith. Accordingly, that person must by all means transcend science." (Ferenc L. Lendvai, historian, specializing in the history of philosophy.)

"A peculiar and unfortunate opposite of the increase in religious interest may be observed in youth who escape from the meaningless character of their lives into a communal euphoria incited by some kind of music, alcohol, and other means of escape. Viktor Frankl, the Viennese psychiatrist talks about an existential vacuum. It is this vacuum they try to forget at sessions which artificially and dangerously incite euphoria, sessions, which on occasion also find home in one or another cultural home. (Laszlo Lukacs, editor in chief, VIGILIA.)

12995

### Religious Resurgence Among Youth Examined

#### Roundtable on Resurgence of Religion Among Youth, in Society

25000226a Budapest NEPSZABADSAG in Hungarian  
9 Jul 88 pp 18-19

[Interview with Under Secretary Imre Miklos, chairman of the State Office of Church Affairs [AEH], by Robert Friss: "They Asked Imre Miklos: Is the Influence of Religion Growing in Hungary?" Questions and statements by others present are summarized and paraphrased. These are: Karoly Fekete Jr, student of reformed theology from Debrecen; Tamas Rado, assistant pastor from Sopron; Robert Frohlich, a senior at the rabbinical school; Tibor Vegh, an associate of the 8th District party committee; Gizella Balazs, a third year student at the Academy of Education for the Handicapped; Peter Balcso, KISZ schoolteacher; Laszlo Harsanyi, a history major at the Lorand Eotvos University of Arts and Sciences [ELTE]; and Janos Vajda, an associate of the 11th District party committee. Date and place of interview are not specified. First paragraph is NEPSZABADSAG introduction.]

[Text] Lacking accurate data a person is unavoidably inclined to formulate judgments on the basis of what he sees on the surface. Public opinion holds that today's youth is remarkably attracted to religion, and that its interest has increased in regards to church activities and the ideologies represented by churches. But is this really true? And if what we find on the surface proves to be somewhat correct, what is the cause of all this? In what

does youth envision the role of religion and the significance of the workings of churches? These questions were posed to Undersecretary and AEH Chairman Imre Miklos by Karoly Fekete Jr., reformed theological student from Debrecen, Tamas Rado assistant pastor from Sopron, Robert Frohlich, a senior at the rabbinical school, Tibor Vegh, an associate at the 8th District party committee, Gizella Balazs, a third-year student at the Academy for Handicapped Education, Peter Balcsó KISZ school teacher, Laszlo Harsanyi, a history major at ELTE, and Janos Vajda, an associate at the 11th District party committee. NEPSZABADSAG was represented by Robert Friss.

[Friss] Let's try to limit our topic: if we accept the statement that the interest of youth in religion is on the increase, what could be the cause of that?

[Miklos] In examining this issue we must first of all pay attention, so that we do not upset the system of relationships that exists between the church and the state. Only in this way can we examine this issue realistically. The idea that interest by youth in religion is on the increase is a rather widespread belief, at the same time however, this also represents a viewpoint which is subject of debate nowadays. There are statements according to which we are talking about a religious renaissance, as compared to the earlier vulgar, simplified views which stressed the dying out of religion. But is it at all possible to talk about a straight line development, or a falling back that points directly downward? Can one really talk about an increasing influence of religion or of the weakening of religion? In my view this could not be done before, and still cannot be done today. History teaches us that social conditions always bore a significant influence on views formed with respect to ideological systems. Ideological systems—religions, or for that matter marxism—had and have periods of upswing, and for the lack of a better term: of decline, in which the influence of such ideological systems was reduced temporarily. These changes were influenced by various factors. What we are experiencing today is disturbance among youth. This is not primarily the youth' fault. In many respect they heard and learned things that are different from what they are experiencing. They are disappointed with what they learned relative to marxism, or what they thought to have learned about it, and for this reason they are seeking new ideals. Religions obviously offer themselves to perform this role because, considering their history alone, religions proved themselves to be reliable ideological systems. And as such they attract increased interest. It is not certain however, whether this increased interest is synonymous with the increased influence of religions. We should not confuse the categories of interest in religion and religious faith. Because youth is interested in everything, mainly on the street, things they are not familiar with or know only superficially. Both marxists—the appropriate organizations—and the churches must pay attention to this interest, and must act using this interest as a starting point. I need not even say that

it is not at all a matter of indifference for either party just how, and at what level this expression of interest is satisfied.

[Narrative] The young priests present will confirm that the phenomenon of increased religious faith today fills a void. This is well demonstrated by an increasing interest in Eastern religions, or perhaps the kind of attention that follows the activities of small churches or sects. Accordingly, the unknown world holds great attraction.

KISZ representatives say: they agree with the defined cause. Youth is seeking a community in which they can help each other on some kind of a moral basis. They are not really attracted to the Catholic or the Protestant churches, or to the Jewish faith, instead they are seeking tighter, smaller communities. It takes great effort to become knowledgeable about marxism, and to find in it the secure rocks to which one may cling to. A part of this is also that the earlier vulgar teachings have yet to be replaced by the efficient teachings of marxism. Thus it is much easier to choose the churches and religion, because their dogmas are easier to acquire, and from an emotional standpoint religion can be grasped more easily. At the same time, feelings of uncertainty and of being threatened are accompanied by people turning to traditional values, or values perceived to be traditional values. And this too can be a reason: a large part of our youth struggles with identity crises, young people are seeking their place in society, their own communities. In establishing communities they find real opportunities for rivalry between KISZ and the churches.

[Friss] Rivalry? What do you mean by that?

[Narrative] According to the KISZ people the question may be much rather raised as follows: what do communities created by the political institutional system, which work in the spirit of marxism have to offer to people who join those communities? And what have the churches, the religions to offer? Because we will easily agree on the idea—they say—that you should create sensible communities, that you should help people in resolving their everyday concerns. Up to this point KISZ and the churches have a splendid understanding. But if you belong to a religious community, your outlook will be that way too, and that outlook influences your everyday political actions. It is here, at this point that concerns begin.

According to the young priests the practice followed in recent years, the broadening dialogue proves that the struggle, the rivalry has come to an end, and that both parties seek a common solution to resolve the nation's problems. It leads nowhere if the two parties outbid each other. One must find who can do what to help the other.

The student at the Academy for Handicapped Education confirms this idea with a few practical examples, and mentions the following: at the Academy the ratio of the religious young is higher than average, and this can be

understood already by virtue of their chosen vocation. This however, causes no concern, moreover, religious and not religious students manifest mutual respect, specifically because of the identical chosen vocation. Where do the church and state meet? The example provided by the KISZ people includes the boys' school at Bokreta street where [the religious and marxists] jointly deal with the endangered young. And in the course of debate the meaning of the "rivalry" concept becomes somewhat modified. "I interpret the term 'rivalry' as equal to dialogue, topped with an intensive struggle at the level of intellectualism, ideology and outlook. It would not be useful if we were to deny the latter. At the same time, momentarily the main emphasis is on the search for common grounds, if for no other reason because a large part of the young is not sufficiently prepared to participate in a truly in-depth debate with religion." Tolerance with respect to each other is an existential matter. It is inappropriate to take an attitude by which everything the other says is dumb. At the same time there is a need for rivalry, if for no other reason because the target group is identical and our outlooks differ. The difference in outlook is not in regards to major, general societal goals, but by all means with respect to our respective perceptions as to what we want to make out of that young person by the time he becomes an adult. It is here that we find a lot of differences, but these differences must be tolerated. This "being different" includes debates, and we must learn to become friendly with these debates.

[Friss] Let's debate, but how?

[Miklos] Here too it became clear: on this topic at the same time one can experience unity and difference, agreement and struggle, different debating styles and interpretations, as well as identical approaches. And this is how it should be. On the other hand, the force of arguments on both sides may be weakened if they agitate the wrong way. I could mention here the dogmatism of the 1950's, which also accompanied religion on the marxist side, and so, dogmas come into being in these days too. At the same time the churches too have made similar mistakes.

[Narrative] Those present brought up this matter: the emphasis is on dialogue. But is it at all possible to talk about dialogue among equal partners in a situation when power is held by the party—by marxists?

[Miklos] Quite a few people say that the dialogue is unfair. But is this statement true? It is true, if we recall bad experiences. Tragedies are caused by both the "terrestrial" and the "heavenly" powers. But we cannot talk about powers in general. The issue is this: what qualities power has? Does the holder of power abuse the power he has? Or: what is the form and the content of dialogue, part of which is rivalry, of course. Is it taking place in the spirit of mutual respect? Is it taking place in a framework where the other parties' values are recognized and thus the dialogue serves all the people, the entire nation? If this is the objective of dialogue, then the goal is not to

defeat the other party, but to convince it. This is so because there will be no victory if I endeavor to annihilate the other party. There will be terror. In recent years, Hungary's policies in regards to churches endeavored to achieve constructive dialogue, and although we have quite a number of shortcomings, we cannot sufficiently appreciate the fact that in today's Hungary people are judged by their actions and not by their religious convictions. At the foundation of this is not whether one believes in God. The issue is whether a person lives decently, whether he works according to his own beliefs and convictions.

[Friss] Thus far we have talked about rivalry only. In what areas could cooperation be expanded?

[Narrative] The young priests say that there is a joint responsibility for those who have strayed away. Professed communist or religious young hold joint responsibility for those who live at the borderline of the two outlooks. Because, as they say, "straying does not begin when one becomes addicted to drugs. It begins when one falls away from the cohesive force which attracts him, which provides human stature." They mention the example of Jesus and the prodigal son, then go on to say that everyone need not descend to the bottom of the pig pail in order to be discovered, in other words, so that a person may return to a community.

The KISZ people too emphasize joint responsibility, and that there are examples which show that their job is not easy either. They mention, above all, the lack of comprehension by the apparatus concerning certain initiatives. Such lack of comprehension can be experienced, for instance, with respect to the establishment of mental hygiene communities. They add: true, the viewpoint which hindered the movement to also deal with young people who have strayed away is relaxing. And then they add: they feel that if one can speak about a church which talks politics today, such political talk consists of the church signaling to the state or the party leadership that it sees trouble in a given area. For example: concerning the future and the condition of youth. And in its own way the church does something to resolve concerns, as that can be seen in the social work activities of the churches.

The counterpoint follows: many feel that the socialist state has surrendered social care to the churches.

[Miklos] This is a frequent accusation relative to the social work activities of churches, and let me add: an accusation which has its roots in dogmatism. We are not having a situation in which the state retreats from this area and yields this role to the churches. Rather, the issue is that the state accepts the church as a partner. Because this too is a joint task. It is the business of the entire society, it is one of the issues pertaining to the nation's future. And in this respect it is not only possible, it is necessary to cooperate. The evolution of this frame of mind required the passage of time, and the application of



this recognition also takes time. The churches continue to intend to participate in this work. At present 67 social institutions function under the aegis of churches. They enjoy significant support by the state, amounting to 75 million forints annually. And there is an opportunity to establish more of these institutions. To accomplish this, the churches receive support in part from abroad. In order to relieve the burden of added expenses resulting from the new tax system, this year the state granted an additional 60 million forints to the churches.

[Friss] Time needed to acquire the new way of thinking.... Accordingly, this is reform. Even though today everyone is a reformer to some degree. At least in words. But is there a need for some kind of a comprehensive reform with respect to Hungarian church policies—policies which gained international recognition during the past decade?

[Miklos] I'm glad that you brought up this issue, because I too see a certain inclination to become reform-dogmatic. There is a need of course for Hungarian social renewal, but in my view, there is no need to reform Hungarian church policies—in the sense that this is generally defined today. Various areas of social life developed unevenly during the past several decades. Insofar as church policies are concerned, some good decisions, party resolutions and cabinet decisions came about during the past 30 years, and these we have implemented. And responsible church leaders share this view. Let us not forget that at the time this process began, we were accused of revisionism and liberalism by many. And today, still far from the end of this process, we have accomplished some internationally recognized results. This orderly situation is the result of a long process and development. Relative to this situation we must not think of reform measures of the proportion we think of perhaps in regards to some other, backward areas. At the same time one should not draw the conclusion that by now everything is in good order.

[Narrative] Irrespective of their outlook, at this point youth will inquire about the directions in which further development will take place. What perspective is there in the cooperation between the churches and the socialist state? And as a separate issue they will raise questions concerning the possibility of introducing alternate military service.

[Miklos] The state continues to be prepared to develop relations. This came to light when Prime Minister Karoly Grosz met with Hungarian church leaders. This process includes the planned law which deals with the freedom of conscience and the free exercise of religion, which is to be completed by 1990, and which we are in the process of preparing. This law is necessary because with respect to many issues life transcended the existing framework, and it is this framework which should be developed.

Insofar as alternative military service is concerned, this issue has been brought up many times, and there have been frequent reports concerning various initiatives and also about the official viewpoints. I can't tell you much that is new regarding this issue, but work is going on as a result of which alternative military service will become possible.

[Friss] These goals are all defined by the high levels of political leadership. But what can happen in everyday practice?

[Miklos] In order for us to really accomplish these goals, we must demonstrate in everyday practice a greater need to know the other party. What does the other party have to say? We should not manifest reservation from the outset if the other party wants to say something. We should pay attention what the other party really has to say. After all, in earlier decades much trouble originated from the fact that we did not know each other well enough. In the recent past our views of religion also changed, and the churches' view of marxism, of socialism also changed. We no longer view religion and religious people from the outset as political enemies, and the churches have come to recognize that in a socialist society one must not, and it is not necessary to use religion as a vehicle for antisocialist politics. Under socialist circumstances churches have an alternative. Accordingly, the thesis which has survived for so long, and which still survives in certain places, according to which under socialist conditions the churches have no alternative but to fight and to confront for the sake of their mere existence, is false. This is the essence of the Hungarian experience if we protest the value of the experience as a model, and this could be applied perhaps on an international basis also. This is our party's valuable recognition.

[Narrative] In the context of everyday political discourse our youth speaks of the opportunity to inform itself in regards to outlooks. The priests mention that it would be necessary to teach religion in schools, so that young people could familiarize themselves with religions, and with the cultural legacy of religions. They are not missing religion classes; youth claims that in certain cases it would be beneficial if people would discuss their outlook on the world, without any hidden, evangelical intent.

The marxist history student explains: he sees a positive process at the university, when theologians are invited with increasing frequency, and when debates concerning church history and religions are organized. These presentations slowly lose their sensational value, they become everyday events, in other word they assume their proper place in the curriculum. This is a serious shortcoming, if for no other reason because it signals that they are unfamiliar with European and Hungarian cultural history which is strongly tied to religion and churches. The KISZ people consider it a great task of the youth



movement to familiarize the young with the cultural heritage of religions. In the absence of this they cannot, they would not be able to know each other well enough.

[Miklos] Certainly, knowing each other requires an appropriate framework. Progress was made however, despite these shortcomings. Let us recall the Bible history series presented on television, the articles that appear in newspapers, for example those which see the light of day in NEPSZABADSAG, and the printing of which in the central newspaper of the party would have been inconceivable earlier. Take the radio broadcast of religious services, and their television broadcast, one or twice. In this relation the question frequently arises: what are the limits within which the initiative to familiarize ourselves with one another must be kept? In my view this is not the issue. The question is: what is the purpose of those initiatives? We must not talk about limits if the purpose is indeed to know each other, rather than to convert each other. In that case we must seek out what and how those ideas can be realized. Because after all, this is the common goal. And let us not forget that this process too is exposed to dangers. While we are looking ahead, we must also consider the fact that we must guard our achievements thus far, our existing values. We must not forget about these.

During the past decades the reigning churches indeed have become serving churches, and this fact must prompt us to reevaluate our own practice also. One cannot destroy cultures and cultural heritage. Their values must be understood and enriched. The legacies of the Hungarian churches are part of our national culture. Just to mention one item: from among out 8700 monuments 2650, or 30 percent are religious in character. We recognize these also as ours, just as we profess that King Stephen, whom the Roman Catholic Church regards as its saint is ours. Is this odd? No, I believe this is natural.

#### **Youth Speaks Out on Religiosity, Outlook**

25000226a Budapest NEPSZABADSAG in Hungarian  
9 Jul 88 p 19

[Conversations with students in the graduating class of a high school following their completion of a term paper responding to the question: "What Makes the Earth Turn Around?" This is also the title of the article by Csaba Csendes, under the rubric "Youthrama." Date and place not specified.]

"It happened last fall. We were on our way to the theater in Pest, and my seat on the train happened to be next to a priest. Some 15 minutes before our departure he made a remark: What a shame that he did not bring along his umbrella—certainly it will rain. I just hemmed and hawed, because I had no idea what to say to a priest. Finally I uttered a few words and he responded. We began to converse, and the next thing I knew was that we arrived. The purity that radiated from the priest was inexplicable to me. I told him things which I would have never told anyone. I talked about my father and his

fourth marriage, and about my belief that he would have a fifth and sixth marriage also. Toward the end of the war a hand-grenade exploded in his hand and took two of his fingers. One of his eyes was also injured. At the time he was a little boy, but ever since that time he always wants to prove himself. Particularly to women. I don't think he has any other purpose in life than women. But wait—I'll show you pictures."

She jumps to her feet, throws back her blond hair and disappears in the doorway. Soon she returns with an envelope filled with pictures.

"Look," her green eyes flash at me, "see, this is my dog. Isn't he sweet? Right here I'm sitting in my boyfriend's lap. And this," she pulls out another picture from the envelope, "this is him."

The color pictures show a tanned, tight knit man with two or three books under his arm.

"He reads all the time. You can't mention a book to him which he would not have read," and the next picture follows. "This is mother. I live with her and her new husband, but I fight with him a lot. He is almost as old as I am. And I have a younger sister too. I love her very much. I have four half brothers and sisters also—I seldom meet with them. They were born out of my father's marriages.

"It is very good to be with mother, but she should not have married this boy. Just think about it: she is close to 40, and the boy is 22. Of course, if you would know my mother, you would know why that boy likes her."

"Is she prettier than you?"

"Prettier than me?" she waves her hand. She crosses her long legs and her light cotton pants hug her thighs tightly. She's playing with her Nike shoe laces. "Come on, what am I compared to mother?! What's pretty about me?"

"Didn't your boyfriend ever tell you?"

"No, he never says such things. He and I just fool around. We walk the dogs together, because he has one too, and do things like that. I liked that priest very much. But don't think of anything wrong! I was left alone on the train when he disembarked. I began sobbing. One should live like he may be living. So that I too radiate purity, the kind I felt he radiated. I really can't tell you. Or do you understand?"

A huge package of papers occupies the table. They were written by the fourth grade students of a high school in the countryside. I tear up the seal. Out of the envelope a bundle of checkered papers slide out. Thirty-eight pages; each of them contains whatever came to the minds of

students on the topic "What makes the Earth turn around?" Nothing came to the minds of four graduating students. Better said: They did not want anything to come to their minds.

"I don't like these kinds of papers. I could not tell the full truth anyway, so why should I scribble some words?"

"I do not ask you how many times a week you sleep with your wife, but come to think of it, even this would not be as confidential a question than what you are inquiring about."

Nevertheless, for the time being, 34 of their classmates have more confidence.

"I can't imagine that the Earth I live on came about by virtue of some natural force. And equally, I can't imagine that trees, grass, flowers, the blue sky, the sound of birds, and I could also mention any one of the seasons, that they just happened to come about. It is my opinion that Earth was created by God, and that He blessed the Earth with nature, so that people can enjoy His work."

He enters, and fills the room. He smiles at me, shakes my hand then sits down. He waits.

"What shall I say about myself? My father is a military officer, my mother is a computer operator. I have an older sister—last year they did not accept her in medical school. She got married. They took me to the free Christian assembly. I have read the Bible, and especially the New Testament before. We do not accept the idea that Christ is nailed to the cross in churches, because Christ has resurrected. We do not worship images. Our assembly needs no church because we believe that those many treasures, gold, pictures and beauty just fascinate the faithful and distract their attention. It hasn't been a year since I've been visiting the assembly, but since then those around me think that I have calmed down. Even those think so who do not know what the cause of that is. I do not criticize people as I did before. I accept everyone the way they are. My friend for instance told me that for the time being he could not join our group. He too is a believer—he is Catholic. I don't argue with him—he should come only when he feels a need to come. We do not convert people, we do not agitate like the Jehovah's Witnesses.

"What would I like to be? Perhaps I'll be a teacher like my friend, but if not, that won't matter either. I would like to have many children. And I would like to see that people love each other."

He takes advantage of the momentary silence.

"Forgive me, do you have any more questions? If not, I'll return to class. We're at the end—I don't want to miss classes."

I would like to make him stay. His confidence, the way he opened up was touching.

"How did you get into the assembly?"

"In those days I was very lonesome. My sister invited me and I went. The assembly consists virtually only of young people. Being among them I feel that they are truly interested in me. They have patience and attention for me too. Because I believe that most people think only about themselves. Even though we can find ourselves only through others."

Before I was very rough and nervous, I was nasty with everyone. For the past few months I felt that I have changed. I see the world differently. I can't stop being amazed about all the beauty that abounds the world. Before I never noticed for instance the beauty of bird song, and I was not interested in people either. I am amazed about myself also—the things that happened to me. But it is very well that it happened this way.

"I live under very good conditions. I can say that I have everything," he introduces himself. This broad shouldered blond guy wears very expensive sports shoes, a matching polo shirt and blue jeans.

"It was last winter that I decided to break out of my old group. I was fed up with them. Before I drank a lot, I tried everything. Then suddenly I got fed up. I got fed up with girls, with drinking, with hanging around. I left my fellows overnight. Meanwhile, by pure chance, my mother introduced me to a [Reformed Church] minister. He may be only ten years older than I, but I was amazed how smart he was. It was very good to converse with him. He heard of everything, he was familiar with everything. He plays music, pursues sports, philosophizes—I feel that I would be very happy if I could be just somewhat like he is. Are you familiar with the Bible?" he asks. "I am in the process of reading it. I like the parts dealing with the life of Jesus most. Matthew's Gospel, for instance.

"I regret that among the teachers I did not find anyone who would resemble that minister even if only a little bit. Perhaps I respect the humanism of the headmaster, but he too is a completely different person."

"Although I do not have fully up-to-date experiences among high school students, I am not surprised by the ratio you mentioned: out of 34 students in that class 28 profess to believe in god or feel that they are attracted to religion."

Gabor Kiss, director of the MSZMP Szabolcs-Szatmar County Educational Directorate gained experience in regards to this subject earlier, as a teacher at the high school teachers' college.

"I can only talk about the trends in this county. Accordingly, there exists an "angry" antireligious sentiment, whose representatives criticize the advocates of dialogue. This is so, even though I do not consider the spreading of religious faith as the real problem. The problem more likely rests with the relationship of youth to a faith which has not been clarified. We cannot expect that the foundations of our outlook, or, as they call it today: the "class" called introduction to philosophy will provide a solution. It will not, in part because education aimed at providing an outlook cannot be accomplished through one or two hours of class work per week. On the other hand, we must admit that the preparedness of our teachers is miserable.

"We are unable to demonstrate very well the abstract ideals of socialism even in practice. Thus, even among the young who are removed from any religious faith, one can experience a tendency to renew some already outdated, often extreme ideals, rather than to approach marxism. Within this group one finds anti-Gypsy sentiments just as anti-Romanian sentiments, as well as stalinism.

"The Church defines its relevant messages in the context of divine teachings. It translates and enlivens the ideal to people from an abstract, conceptual level. This is missing from marxism. Even though naive marxism can undergo a gigantic change within a moment. Not even in the framework of our ethics are we capable to analyze specific life situations. Should one wonder why our youth has no one to turn to with its problems?! Not to mention the fact that we too would demand from them an increasingly unconditional faith. After all, everyday politics is less and less able to support the ideal in practice.

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"My parents aren't religious either—my antireligious sentiments were formed at a young age. I respect the religious sentiments of older people, because they were brought up in an age when religion was an obligatory subject to be learned at school. But I do not understand the young very well, because today's technology and science is so advanced that one cannot even believe in religious teachings. I believe that this country's leaders should put an end to this."

Thorny hair, fashionable glasses, rounded features.

"I feel that today's religious sentiments are an exaggeration. I can no longer walk on the street without being stopped by a Jehovah's Witness. They are forceful, one can't get rid of them. Incidentally, what I wrote on that paper—that they should be stopped, refers to them. We had a class mate who quit high school on grounds of belonging to a sect. I really can't understand this kind of thing. I applied to the teacher's college. I am doing quite well in school, but I am taking the admissions exam only to please my parents. I hope I'll fail, and then I'll be able

to become a hairdresser's apprentice. Because what I would like most is to become a hairdresser. What did I read about Marx? What should I have read?! Nothing. But this is not of the essence. We learned about him, I know what he wrote. But let's talk about something else. Where did you come from? Is this conversation going to be published somewhere? I am so happy that you are here. I don't have to be at class while you're here. All right. If you want to chat also with someone else, I'll return to class. Whom did you say I should send to you?"

"I have difficulty in accepting the myth of creation, but I'm not too concerned over that. I am more concerned about the relationship between the socialist society and religion. In vain do they stress that in Hungary there is free religious practice, my experiences prove otherwise. Why is it then that if a party functionary's wife or child professes idealistic ideals and goes to church, sooner or later their conduct will have consequences. If someone is born as the child of a party secretary, he has no right to choose freely from among outlooks on the world.

"Actually, I do not consider myself a religious person. I frequently think about the existence of God. But what I have observed many times is more interesting. For instance: people fearing death, or experiencing tight situations, never pray to the party secretary. They pray to God."

His palm virtually gets lost in my hand as he reaches out to introduce himself. Then he sits down and rubs his eyes. He is visibly tired.

"I'm a bit tired. If it were up to me I would not teach at this hour, but I must do so since I agreed to it. I am tutoring two children for 70 forints per hour. We are five brothers and sisters, if at all possible, I do not want to ask for money at home, because I know that there is not much money there. Otherwise this work is not that bad. It forces me to more thoroughly recheck every problem. Because the shortcomings of superficial knowledge become visible instantly.

"I put down that example about the party secretary because I am aware of a case like that. The father was told that he could not remain a party secretary if they noticed that his wife or daughter went to church. And I believe that at social gatherings no one dares to candidly state what he or she really thinks about these matters. This happens, because the one who admits that he is a believer will be looked upon differently. This hypocrisy evolved because the one who stands on one side has better chances let's say in terms of advancement and positions than the one who belongs to the other side. One should not write and inquire about these things. As soon as this topic does not preoccupy anyone, only then will I really believe that there is free exercise of religion.

"The more successful the formulation and functioning of the new society, the better founded and the more acceptable will be the credibility of the theory represented by

them.... One cannot predict in the short term a strengthening of the alliance between believers and marxists; at any rate, one cannot view this as a tactical task, because it has strategic significance...." (Jozsef Poor: "Dialogue on Religiousness and Outlook" TARSADALMI SZEMLE No 2, 1988.)

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## POLAND

### Enterprise Contributions to Social Welfare Fund To Change Under Reform

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[Article by Prof Stanislaw Czajka, director of the Institute of Social Policy at Warsaw University: "What Will Social Policy Be Like in Enterprises?"]

[Text] Enterprise social activity currently constitutes a permanent element of the present-day functioning of an enterprise both in the plan economy and in the market economy. The generally binding legal regulations give many services an obligatory character and incorporate plant social activity into the system of state social policy. However, this activity does not become something that is fully imposed upon enterprises from the outside. In capitalist enterprises, their owners also do not treat these legal regulations as imposed but at the very most include them in the rising costs of labor. In many cases, they receive substantial tax credits because of this.

Besides this, social activity fulfills important production and economic functions. The former are tied to the basic production factor as represented by manpower, i.e., "live labor." Economic functions depend on concrete solutions that describe the economic-financial system of an enterprise and basically give enterprise social activity the character of additional nonwage remuneration for work performed. However, with respect to pensioners, retirees and former employees, this constitutes a supplement to the income received from social welfare.

In our circumstances and particularly under conditions of the economic reform, restrictions that hamper the wage fund and the relatively occurring considerable ease in creating funds for social purposes in an enterprise have an important significance and may intensify in the second phase of the reform. In certain situations, enterprise social activity fulfills the role of an auxiliary element to the wage system. This makes itself known particularly when the possibilities of the direct increase in wages become exhausted.

#### What Will the Second Phase Bring?

Social activity of work establishments has transformed itself from a state social services regulating instrument to an independent and essentially, in great measure, self-regulating domain of social policy. It encompasses

approximately 70 percent of all state social services and about 30 million people in Poland and possesses extensive freedom in the area of distribution.

What will change in the social activity of work establishments during the second phase of the economic reform? The following factors will have a determining significance here: the extent of the center's interference in enterprise economic activity; the tax system, a more complete application of the three S's, and the demonopolization of the economy. The inevitable resignation—in connection with the reform—of the center from wage interference in its present form, will undoubtedly, change the relation between wages and the use of resources from social funds. At the same time, the exigencies of self-financing—and of a very consistent one at that (the threat of bankruptcy)—and product competitiveness (market orientation of the second stage of the reform) may significantly impede the current relative ease in creating resources for social purposes. A similar situation applies to vital activity which to an increasing degree burdens enterprise costs and primarily labor costs.

What will be, for example, the function of housing funds with the assumption that the second stage of the reform will activate, i.e., enlarge the scope of housing construction with a concurrent significant increase in its cost? Let us remember that despite the decrease in the number of apartments allocated by work establishments (from approximately 45 percent in 1980 to 33 percent in 1985 of the overall number of all housing allocations), they continue to be—next to housing cooperatives—their [housing allocations] largest distributor. Let us also remember that in the timid housing construction reforms, it is work establishments that are accorded the greatest significance. The current general lack of utilizing the resources of the enterprise housing fund may change quickly whereas the resources for this purpose will turn out to be too small. This is another dilemma standing before practice and theory of social policy.

#### Two Functions

From the point of view of state social policy, enterprise social activity has two functions to fulfill: protective and consumer. The latter refers to the thus far preferred forms of consumption—recreation and cultural life. In practice, this function is too small in relation to the needs, at least from the mid-1970's, whereas during the second half of the 1980's it weakened downright dramatically. On the other hand, enterprises have little difficulty in fulfilling protective functions attributed to social activity (material assistance, assistance benefits, supplemental financing of credit for young married couples, credit for supplementing housing outlays, etc). They are also successful in implementing tasks for work force integration (branch holidays, celebrations).

A predominant portion of the funds is currently set aside for recreation, cultural activities, and housing construction. It is in these areas that a strong tendency is evident of adapting services to the goals of a work establishment's cadre policy (competitiveness on the job market). The transformation of enterprise social activity into a system of wage assistance occurs here as well. From conducted studies it follows that the functions of the social services of work establishments are evolving in this very direction. In many cases social funds lose their original service character and, therefore, the social function itself of the work establishment changes as well. From an automatic function it changes into an instrument of enterprise economic policy. Thus, the decline of the equalizing function attributed to social activity of work establishments.

A discrepancy appears resulting from the difficulty in utilizing the funds available in a given plant in a manner consistent with the legal and recommended forms of their distribution. Frequently, an enterprise strives to expand the forms of social activity by overtly or covertly introducing new services or new ways of financing them. Another form of discrepancy is associated with the way in which the inflow of resources to the social fund is tied to the economic-financial situation of an enterprise. This trend is significantly gaining strength.

#### Equal and More Equal

The system practiced between 1982 and 1986 exposed the differentiation between enterprises in this respect. Today, the main weakness is the excessive ease in obtaining profits by some enterprises and the lack of it among others despite good economic results. This weakness, therefore, lies not in social activity but in the economic instruments of the current stage of the economic reform. Incidentally, a strong differentiation in the branch-line profile and in enterprises has always manifested itself and, undoubtedly, will continue to make itself known for a long time. The implementation of the second stage of the reform will without a doubt lead to the further differentiation of enterprise financial possibilities in the area of funds for social purposes. Thus, what are the socially admissible limits of differentiation? What about services in welfare, agriculture or in small work establishments?

The current situation of enterprise social activity is defined by two basic elements. The first one concerns the considerable increase in resources for enterprise social funds and their relative surplus (they are added on as reserve funds). The second, expresses itself in the tendency on the part of state social policy to maintain the current structure and formula of services (scope and means of financing); relatively limiting funds for innovative activity (e.g., payment of wages, employee savings accounts, etc). Therefore, we can talk about an increasingly more flagrant contradiction between the increasing—though slowly—independence of enterprises in this sphere as well, and the goals that the state would like to implement in the area of social policy by means of plant social funds.

Between 1982 and 1986, plant social funds grew more quickly than wage funds. They were of great significance for consumption. Social funds of work establishments also grew more quickly than state budget expenditures for basic areas of both collective and individual consumption. Therefore, the situation in enterprise social activity was better than in the remaining areas of consumption. Thus, a question of a fundamental nature for practice and by no means trivial for social policy theory: Is this expansion socially justified and what grounds speak for the priorities thus far within this sphere? What plant or enterprise needs can social activity provide for currently that would be beneficial to society? And why should these needs be taken care of in the upcoming years more intensively than the needs of the school system, health or environmental protection, etc?

#### Social Curve

Discussion on this subject may be difficult but it must be carried out particularly since from 1982, a deepening—let us call it—"social curve" has been occurring in work establishments. In 1985, unutilized reserves made up 22 percent of the resources of social funds whereas in 1980—only 15 percent.

With the appearance of regression in such areas of social activity as cultural life, sports and collective consumption, an important question stands currently before social policy practice and theory: Is the continuation of social activity in its current form of enterprise expansion valid and expedient? Naturally, the fact that the aforementioned fund reserves are frequently forced and result from inequality occurring between the amount of funds held and the inability to organize or procure services (including, e.g., the limited dimensions of housing construction) should be taken into account. A position should also be taken on the numerous discussions relating to the commercialization of social services in other sectors of collective consumption (culture, health).

It also remains a fact that the specific trait of consumption brought out by this type of social activity is not so much its social as group character. This manifests itself mainly in disproportions among branches and between enterprises with respect to the amount of funds. However, let us keep in mind that 40 years ago, the principal idea was social privileges conferred upon the leading producers of the national income with the inability of distribute these goods more equally. Today, however, the conferring of privileges upon some enterprises while restricting the possibilities of others is a chance occurrence.

It follows from more specific analyses that a reverse proportion exists between the input into the national income and the actual privileged status of branches, sectors and enterprises. In this respect, the excessively monopolistic or even lobbyist character of our economy,

which was shaped in the past, continues to weigh heavily. There are numerous examples of this. The geography of enterprises possessing the most favorable situation in terms of the possibilities of the optimum development of their social activity strays decisively today from the input into the national income and from its meaning for the national economy. This phenomenon is gaining strength.

Therefore, in which direction are we heading? Should and can this state of affairs be continued? This is the main topic of studies in this field of social policy—studies that are of vital importance to practice, especially since this field of study is markedly delayed. And yet, this concerns an important area of state social policy as enterprise social activity should be considered also.

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